

NORTH-CHINA HERALD

AND SUPREME COURT AND CONSULAR GAZETTE
Weekly Edition of the "North-China Daily News"

Registered at the P.O. under Class B.

Vol. CCXVIII. No. 3835.

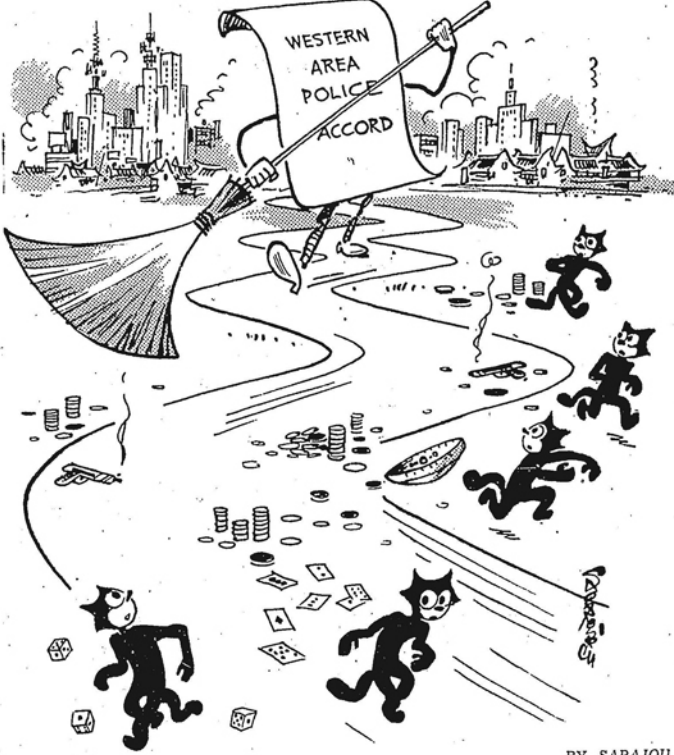
SHANGHAI, WEDNESDAY, FEBRUARY 5, 1941.

(Tse-lung-sing-chi-chow-shan 字林星期週刊)

CHINESE \$84 PER ANNUM, \$2 PER COPY

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Now a Bit of Mopping-up?

BY SAPAJOU

Discipline Enforced

The statement made by General Chiang Kai-shek on the trouble which has occurred between the New Fourth Route Army and the Central Government troops satisfactorily disposes of that incident. Before this statement there had been such a spate of contradictory reports, that it was difficult, if not impossible, to obtain any idea of what had really happened. It seems clear now that the New Fourth Route Army, a semi-Communist army, refused to obey orders sent to them by the Chinese High Command and had attacked troops which were ordered to take over the area the New Fourth Army had occupied, and, if necessary, to enforce obedience. In the words of General Chiang, the incident is now closed and no political or international repercussions are expected. Attempts to turn this apparently local dispute into a definite rift in the Chinese front for resistance appear to have failed; and there seems to be left only the task of smoothing down the aftermath of this storm in a tea-cup. With General Chiang's contention that discipline is all important in China's fight for freedom there can be nothing but sympathy. The Chinese cause can only suffer, should each local commander be permitted to do what he likes, when he likes, and how. It is essential that the Chinese army command should be able to direct the movements of all troops and co-ordinate them, if the maximum effect is to be obtained from the admittedly rag, tag, and bob-tail personnel of which the army is composed. The Fourth Route Army incident has been exploited by Japanese and pro-Nanking propagandists to the full. It has been depicted as a sign of a major split in the Chinese resistance to the so-called Japanese "new order." It has been coloured so as to prove to the Japanese people, whose anxiety to end the China war was reflected on Tuesday by Prince Konoye's acceptance of all responsibility for the continuance of the hostilities, that the National Government in Chungking was crumbling, and that a foreign power, presumably Soviet Russia, was withdrawing its assistance on account of the action taken against Chinese Communist forces. That there was anything political behind the incident was effectively denied a few days after the reports had first been circulated by Mr. Chow En-lai, the Communist leader, who repeated the assurances of the Communist party that full support would be continued under the command of General Chiang. A note of warning was at the same time sounded by the influential "Ta Kung Pao" when it pointed out that friction within the Chinese ranks gives an opportunity to the enemy which he should not be allowed. Judging from the statements of General Chiang, this warning was unneeded by the Chungking Government, and it seems that rupture between the Communists and the Kuomintang has been avoided. It is a feature of party movements such as that of the Communists, or for that matter the Nazis and the Fascists, that discipline is all important, and it would therefore be surprising if the Chinese Communists took exception to the enforcement of one of the most

important rules of their party against commanders who, to say the least, are of doubtful affiliations.

Damage To Kiel

Photographs taken of Kiel after R.A.F. raids have disclosed that work in the dockyards at that port has been seriously disrupted. Photographs taken early in December showed a nineteen thousand tons aircraft carrier under construction, a submarine being built, and a tanker and a destroyer on the stocks. Another reconnaissance flight shortly afterwards revealed that all these vessels had disappeared apparently removed to some other dockyards which were thought a little safer. The photographs also showed that the Germans are building an eight thousand tons cruiser of a new design. This had apparently not progressed sufficiently to be removed, and was still in the dock to be a target for subsequent raids. The pictures showed that the pocket-battleship *Lutzow* (formerly the *Deutschland*) had been severely damaged when hit by a torpedo from the submarine *Spearfish*. The stern of the vessel had been stripped to the keel. The 26,000-ton *Scharnhorst* was seen to be in a floating dock, undergoing repairs after having been hit by an aerial torpedo off Trondheim. All this supports the contention that the Nazis are having by no means a happy time even in the limited waters in which their navy can operate. Their principal ship-building yards are within easy range of British bombers and are receiving the repeated attention of the R.A.F. The Nazis know well that without a strong naval diversion to draw away the main force of the British fleet, all their plans for invasion of the British Isles are purely visionary. The diversion may take place in the Mediterranean, but for invasion purposes it is more likely to be attempted in waters close to Britain. R.A.F. attacks on Nazi naval bases and yards, therefore, may prove a major deterrent to Hitler's plans.

Sound Tricks

There has been comment in England on the tricks played by sounds of gun-fire, which is audible in some districts and quite inaudible in others, very much closer to the scene of the firing. Similar phenomena were noticed by Samuel Pepys in the Dutch war of 1666. He recorded that gun-fire in the Channel could be heard in St. James's Park while at Deal and Dover the population could hear nothing. Experiments in the sound fields have been carried on for a number of years in Britain, and spotters of aircraft are even now benefiting from them. In 1927 scientists carried out tests in co-operation with the Admiralty during naval gunnery practice at Shoeburyness. Listeners sitting before delicate apparatus at Nottingham, Cardiff, Birmingham, Bristol and Sheffield received simultaneous wireless warnings when guns were fired. By calculating the difference in time between the receipt of the warning and

the actual sound of the gun-fire much valuable data was gathered. It was learned that when a sound left the muzzle of the gun it took a gigantic curve upwards of about nine miles. This took about 35 seconds. From this height to about the height of sixteen miles, the sound travelled upwards more slowly, but at about thirty miles it struck a warm ozone belt of air and was deflected back to earth. Sound travelling close to the earth behaves differently; it is often quickly absorbed by trees and buildings and soon dies away. It is therefore quite possible for a town within a few miles of another which is being raided to hear nothing at all of the explosions, while another town scores of miles away will hear the explosions distinctly. Needless to say the experiments of this nature which have been made are bearing fruit today in the spotter apparatus now being used.

Proverbs and the Weather

In Sunday's issue Mr. Arthur de Carle Sowerby wrote on the singular mildness of this winter, with very little frost, less snow, few cloudy days and less than usual rain. But it would be just as well to suspend judgment upon this particular season until Spring has come, for much may yet happen to change opinions as to the weather this winter. It is quite possible that the homely proverbs of various races do not in fact represent real authority on things climatic, though in defence of them it can be said that they are generally the product of racial experience and are usually more correct than incorrect. In this connection it needs to be remembered that Sunday was Candlemas and also that it was a remarkably fine day. Candlemas ranks just as importantly as an augury for coming weather as does St. Swithin, for it is commonly said:—

If Candlemas day be fair and bright,

Winter will have another flight;

If on Candlemas day it be shower and rain,

Winter is gone and will not come again.

That peculiarly English view is supported by the Scots, who for once find themselves in agreement with the Sassenachs:—

If Candlemas day be dry and fair

The half of the winter's to come and mair;

If Candlemas be wet and foul

The half o' winter's gane at Yule

Supporting that there is a German proverb to the effect that if the badger peeps out of his hole on Candlemas-day and finds snow, he walks abroad; but if he sees the sun shining he draws back into his resting place. Nevertheless Sir Thomas Browne, in his "Vulgar Errors," will have none of it, for he quotes with disapproval the Latin

Si Sol splendet Maria purificante

Major erit glacies post fecum quam fuit ante

Be that as it may, there is yet another proverb that "the shepherd would rather see a wolf in his stable at Candlemas than the sun." So that the weight of authority seems to be against Sir Thomas, though Shanghai has only to wait a while and see how the weather behaves. It may still be a hard winter.

Spring Has Come

The Chinese, like Western nations, divide the year into four seasons, called *Sau chi*, as follows:

Chun (Spring) commencing	Feb. 4
Hsia (Summer) commencing	May 4
Ch'u (Autumn) commencing	Aug. 4
Tung (Winter) commencing	Nov. 4

Spring commenced on Feb. 4. In the days of the Emperors this ceremony (*Li Chun*) was observed throughout China and dates back to remote times. It inculcated the useful lessons of natural equality and mutual dependence of all classes of the population on each other, and was at one and the same time the foundation and coping of the Chinese system of government. Every year on February 4 (when the sun is passing through Aquarius), the ceremony of inaugurating spring was performed in every one of the 1,300 *Fu*, *Chow* and *Hsien* throughout the Chinese Empire. Preparations having been made on the day preceding, everything was ready by a certain hour for the officials to appear clad in their official robes; they were carried in procession in open chairs headed by bands of musicians, accompanied by many persons carrying banners, and well-dressed boys and girls on special stands, all gorgeously decorated. The magistrates on passing out of the city gates were saluted with three guns. After taking a turn in the fields outside the city in or near the Temple of the God of Agriculture, they returned and reported themselves to their superiors as having conducted the arrival of the new season, spring. The following day, long before daylight, the officials were out again to the Temple of the God of Agriculture or Divine Husbandman, where a young bullock yoked to a plough was brought along, the owner generally handing it to the magistrate, who ploughed several furrows and then sowed seed. This was all done in official hats and embroidered robes. Tea and plain cakes were then served to the magistrate and his attendants as refreshment after labour; a reward was given to the peasant who conducted the bullock, and the animal itself was usually bought and slain for a sacrifice to Confucius. Many farmers made it a point of breaking ground on the same day, and great rejoicings were manifested through the length and breadth of the land.

CHINESE POLITICS

Fourth Route Army Trouble

Incident Said Closed; No Political Party or Issue Involved; Discipline Imperative

Chungking, Jan. 29.

A VIGOROUS denial of Japanese reports of civil war or the unfavourable turn of international events was made by Generalissimo Chiang Kai-shek in a lengthy statement on the disbandment of the new Fourth Route (Communist) Army early this month in an address delivered at Monday's, weekly Sun Yat-sen memorial meeting which was released last night.

He declared: "The incident is now entirely closed... it does not remain in any shape or form. No political party or issue is involved."

He asserted there had never been an instance of any of the foreign powers friendly to China being discouraged by "our taking any action required for the very object they approve—the enforcement of strict discipline in our armies as a means of enhancing efficiency in resistance."

The Generalissimo added that they would be inspired "with respect for us by observing our ability to put down insubordination without hesitation or retribution despite the difficulties attendant on such an action under conditions imposed by the active persecution of a war."

Referring to reports of civil war, the Generalissimo declared that in China today there is absolute unanimity of purpose among both the people and the armed forces. The question of the maintenance of wartime discipline and obedience to military discipline have no relations whatever to such a possibility, he said.

Discipline Admired

Referring to the Powers assistance to China, Gen. Chiang stated: "The record of four years sympathy and assistance from friendly nations has shown them to be uniformly desirous of seeing strict discipline enforced in our armies as a means of enhancing our efficiency in resistance. There has been never an instance of their being discouraged by our taking any action required by the very object they approve."

"They will recognize the propriety of any action aimed at keeping the high standards of sound discipline prevailing in the Chinese armed forces."

"So, far from being as the Japanese foolishly attempt to convey, the foreign countries will be inspired with respect for us by observing our ability to put down insubordination without hesitation or retribution, despite the difficulties attendant on such an action under conditions imposed by the active persecution of a war."

Rebellious Gestures

After pointing out that "there is no more essential need for victory in resistance than the reliable execution of orders and the exercise of discipline", Gen. Chiang Kai-shek stated that measures taken by the Government with regard to the new Fourth Route Army were in no way peculiar. He recalled similar punishment of Chinese generals like, Gen. Han Fu-chu, Gen. Li Fu-yung, Gen. Hsi-hu-san, in the past three years for various offences against discipline.

After charging the new Fourth Route Army of "attacking a body of comrades in arms in disobedience to orders, and rebellious gestures, Gen. Chiang declared: "I am entrusted with the power of directing the national armies and if I fail to enforce discipline with due rigour, yielding to any private susceptibilities of my own, I become myself a violator of discipline and betray all the men fighting at the front."

"There would soon be an end of resistance and a revolution, if orders were permitted to go unobeyed and discipline to go unobserved."

"The incident under discussion is an exceedingly distressing case of military necessity. Far be it from me to construe it as a matter for gratification; it was something much to be ashamed of, but the only course possible in the interests of the nation and resistance, it was reluctantly taken."

"Former cases of disobedience to orders on the part of the new Fourth Route Army and of its clashes with other troops were passed over by me in silence, though not indeed for the sake of keeping them secret from foreigners or from the enemy. Such incidents cannot be concealed. My motives were firstly, my concern for the good name of the troops and a hope for their reform; secondly, to preserve intact the forces of resistance."

Action Imperative

"But the new Fourth Route Army continued to take all manner of arbitrary action, until it became apparent that, if it were unchecked, China would cease to be worthy of the name of a nation and that she would

be powerless to make a success of her resistance."

"In conclusion, I have only to say that my action was dictated solely by a desire to strengthen the nation's capacity for resistance."

"The incident is now closed entirely. The problem has been settled once and for all and it no longer remains in any shape or form."

"The conduct of the new Fourth Route Army and the punishment imposed have no bearing on the status of other sections of the national forces."

"Absolutely no political party or issue is involved."—Reuter.

Chiang Supported

Chungking, Jan. 29.

All Chinese newspapers this morning gave prominence to the full text of the speech by Gen. Chiang Kai-shek concerning the disbandment of the new Fourth Army, and at the same time carried leading articles emphasizing the importance of the strictest discipline in the Chinese army.

There was, however, one significant exception—that being the "Hsin Hua Jih Pao," official organ of the Chinese Communist party, which did not publish one word of the speech, nor make any mention of the speech. The matter was simply ignored in both the news and editorial pages.

Another interesting angle of the affair was the publication of an advertisement in this morning's "Ta Kung Pao" by 61 Communists, jointly announcing their withdrawal from the Chinese Communist Party. The list was headed by Mr. Yuan Kuoting, who is a member of the Executive Committee of the Shueching (in northern Anhwei). Communist Party, and included officers of the 8th Route Army in Shantung as well as officers of the new Fourth Army on the north bank of the Yangtze river.

In the announcement the former Communists vigorously denounced the Chinese Communist Party for trying to expand their armed forces, extend the area of occupation, and spread Communist ideas under the pretext of a united front against Japan.

It was alleged that the Communists, under the name of "border district government," had been actually Sovietizing the district and issuing their own currency.

The announcement accused Communist forces of only attacking Chinese Government troops, not Japanese forces. It also alleged that the 8th Route Army was at present moving southward to support the new Fourth Army.

Declaring that they would not associate themselves with the traitorous activities of the Chinese Communist Party, these 61 former Communists announced their withdrawal from the Communist Party and pledged their loyalty to the Kuomintang.—Reuter.

Roosevelt Thanks Lin Sen for Greeting

Washington, Jan. 29.

President Roosevelt replying to the third term inauguration congratulations of China's President, Mr. Lin Sen, said yesterday he cordially reciprocated the good wishes and expressed hope for a continuing growth of friendly relations between the two countries.

The President added that relations between China and the U.S. "traditionally are regarded by the Government and people of the United States as strong and enduring."—United Press.

An imposing bronze statue showing Generalissimo Chiang Kai-shek on a military charger and surrounded by other statues representing China's land, naval and air forces will be erected this year at Shui-kwan, seat of the Kwangtung Provincial Government, it was decided by the provincial Kuomintang, says a message to the "Sin Wan Pao." A preparatory committee has been formed for the purpose.

Chungking, Communist Fighting Condemned

Moscow, Jan. 28.

"Pravda," official Government organ, yesterday blamed "narrow party considerations" for the recent rout of the Chinese New Fourth Communist Army.

"The wiping out of the Fourth Communist Army" resulted in 4,000 soldiers of the Fourth Army being killed and wounded and 2,000 taken prisoner, "Pravda" declared.

Progressive Chinese circles foresee the eventual liquidation of the Eighth Army, which also is Communist, the newspaper said. This "would mean the spreading of civil war, which would only weaken China," "Pravda" added.—United Press.

Communist Supporters Quit

Chungking, Jan. 28.

A joint circular telegram announcing their withdrawal from the Chinese Communist Party "following the discovery of traitorous activities on the part of the new Fourth Army against the Government" was issued by 15 young Chinese overseas Communists on Jan. 21, it is announced here.

The 15 Chinese Communists had been assisting the new Fourth (Communist) Army, the disbanding of which was reported on Jan. 18, by raising contributions in the South Seas.—Reuter.

Breaking Through

Hongkong, Jan. 28.

While military operations of the Communist Army are designed to break through the encircling lines of the Chungking forces and are becoming more positive, it was openly admitted according to the most reliable information reaching here that 40,000 Communist troops under the command of General Hsu Hsiang-chien, are repulsing General Yu Hsue-chung's army in Kiangsu and Shantung Special War Zones and have already crossed the Lunghai Railway. The Communist force forms the advance column of the 18th Group Army driving to the east.

The Red troops, it was stated, have reached northern Anhwei Province, and now are showing signs of effecting a junction with 20,000 Communist troops of the New Fourth Army under the command of General Hsiang Ying.—Domei.

Hongkong Official Reaches Chungking

Chungking, Jan. 28.

Immediately after his arrival in Chungking on Sunday by air from Hongkong, Mr. N. L. Smith, Colonial Secretary of the Hongkong Government, went into a series of conferences with officials of the Chinese Foreign Office and Ministry of Communications concerning problems existing between China and Hongkong. The Chinese authorities are objecting to the new Hongkong immigration regulations, it is understood; not so much against the measure itself, as against certain details in the regulations. Chinese circles state that the fee levied is too high, and the procedure too complicated, resulting in severe hardships on the Chinese residents of Hongkong.

It is understood that Chinese Foreign Office authorities are proposing a change in the regulations reducing to a minimum the hardships Chinese are alleged to be suffering by the new regulations.—Reuter.

Pulling Ambassadors' Austere Legs

Chungking, Jan. 28.

The People's Foreign Policy Council last night offered a dinner in honour of Sir Archibald Clark Kerr, the British Ambassador to China, Mr. Nelson T. Johnson, the U.S. envoy, and Mr. Alexander Panushkin, the Soviet Ambassador.

Attending the function were members of the staff of these Embassies as well as a number of prominent Chinese officials. Mr. Chen Li Fu, the Minister of Education and President of the Council, was the host.

During the function, General Feng Yu Hsiang, the 'Christian General' and Vice-President of the Military Affairs Commission, read a poem of which he was the author and in which he made jesting reference to Mr. Johnson's "bold pate," Sir Archibald's "high-brided nose," and Mr. Panushkin's "boyishness." The three "victims" of General Feng's lyrical outbursts responded in kind and in no uncertain manner, much to the enjoyment of those present.

Other speakers, in no more serious vein, were Dr. Sun Fo, President of the Legislative Yuan and Dr. Yu Yuen, President of the Control Yuan.—Havas.

Trouble with Reds Not Serious

Army Authorities Prepared to Take Strong Line To Preserve Discipline; Fighting Not Feared

Chungking, Feb. 2.

CHINESE circles are not at all perturbed over the Communist situation, the result of the High Command's decision for the disbandment of the Communist New Fourth Army on the south bank of the Yangtze river last month.

Following the conclusion of brief fighting between Government and Communist troops on the south bank of the Yangtze river, no major fighting is reported to be taking place between Government and Communist troops in any of the other areas.

Meanwhile, negotiations are progressing between Government and Communist authorities for an amicable settlement of their differences.

Chinese Government military quarters are confident that they have the situation well in hand.

While official quarters here do not wish to make further comments on the situation since Generalissimo Chiang Kai-shek as well as the military authorities have already issued statements thereon, Reuter learns that the attitude of the Government authorities may be summarized as follows:

Chinese Government military authorities are firm in their stand that military discipline in the Chinese army must be maintained at all costs. Any units in the army, whether Communist or others, disobeying orders of the High Command, will be drastically dealt with by the Government.

The question of military discipline is entirely separated from party affairs. In other words, the Government is maintaining its usual relations with the Chinese Communist Party and other political groups and is not involving any party with the Government measures concerning the New Fourth Army.

There are high prospects of an amicable discussion of the Communist Party issue at the forthcoming meeting of the National Peoples' Council in which the Government, Communist and other party delegates are represented.

It is felt that a frank discussion and exchange of views among the delegates at the meeting will pave the way to an amicable settlement of the differences between the Government and the Communists.

Chungking circles, however, emphasize that while the Government is ready to do its utmost to bring about an amicable settlement, if the Communists endeavour to take any action threatening of unity or of interfering in the government programme of resistance against Japan, the Chinese Government military authorities will not hesitate to take drastic measures to deal with the situation.

Furthermore, it is stressed here, Government forces are fully prepared.—Reuter.

Communist Threat Seen in Shensi

Hongkong, Jan. 26.

With general military operations having been reliably reported ordered by Chinese Communist authorities at Yenan, Red centre in Shensi province, Communist troops are threatening to break through encirclement of the Central Army forces at a single blow, according to dispatches reaching here today.

It was stated that military operations were ordered and became positive on January 23.

The situation was extremely pressing in the Shensi, Kansu and Ninghsia frontier areas, especially northern Shensi and eastern Kansu, it was added.—Domei.

1940 Successful Year for Government Banks

Chungking, Jan. 28.

The four Government banks have established over 250 new branches in the interior of China since the commencement of Sir's Japanese activities in order to meet the requirements of interior districts, a spokesman of the four Government banks declared yesterday, reviewing the activities of Chinese banks during the past year.

While actual figures are not revealed, the spokesman stated, several hundred millions of dollars have been granted by the banks to finance industrial, mining and commercial enterprises in the interior, while agricultural credits for the past year alone total over \$200,000,000.

As a result of the thrift-savings campaigns started on Sept. 18 of last year, \$150,000,000 thrift-savings have already been received. The spokesman expressed confidence that a total of \$200,000,000 would be realized within the year.

During the past year the four government banks alone have received new current deposits amounting to \$1,500,000,000.—Reuter.

Chiang, Communist Dispute Watched

Washington, Feb. 2.

Official and other circles here are watching with interest matched only by their concern the present civil strife in China. It is hoped that Gen. Chiang Kai-shek with skillful handling can avert what might easily become a disaster for China and victory for the Far East Axis partner.

Many here think the matter dates back to the closing of the Burma Road after which it was reported that Russian aid to China began to melt away to a mere trickle. This was accompanied by suggestions from Moscow that Gen. Chiang might profitably seek closer relations with Yenan (headquarters of the Communist forces) and that a larger voice in the councils of the Chinese Government should be given the Chinese Communists.

Picture Changed Again

Unable to look a gift horse too closely in the mouth and pessimistic about continued Democratic aid, Gen. Chiang had begun to trim his sails accordingly when the Burma Road was reopened and financial aid from America and Britain was announced. This again changed the picture and made Gen. Chiang less dependent on aid which appeared to be not entirely above suspicion.

In addition it is reported here that the Chinese Communists have scarcely been living up to their agreement with Gen. Chiang not to teach Communist doctrines in areas where they are fighting, that in fact they have done as much propagandizing as fighting and have enlisted many more men than the agreement with Chungking permitted; but whatever the causes, this civil strife is much regretted here at a time when every ounce of unity in China is necessary if the power which threatens both the Kuomintang and the Communists, namely Japan, is to be successfully fought.

Untimely Feud

The "New York Herald-Tribune" in an editorial titled "An Untimely Chinese Feud," says it is impossible to pass judgment on the situation until much more is known about it except to re-echo the lament that it is most unfortunate. The paper states that Gen. Chiang may have been grudging and parsimonious in his assistance to the Reds but points out there is much fear in the Kuomintang and among Government officials that unless something is done a final victory over Japan might also be a Communist victory over China, and China would be out of the Japanese trying to run into the Soviet. This recalls a Chinese slogan which recently reached Washington that Japan "is merely lice on the body of China but Communism is a disease of the heart."

It is feared here that this attitude and the civil strife with the Communists may strengthen the arm of those who are known to be urging the Government to come to terms with Mr. Wang Ching-wei and the Japanese.

The "Herald-Tribune" concludes its article by saying that when the Japanese are preparing for a push into the "south seas" it is imperative in the interests of China and her friends that she immobilize as many Japanese troops as possible in China and therefore it is a great pity that a bitter domestic feud is being worked up. The paper expresses confidence that Gen. Chiang is too big to foster it. It hopes he is big enough to bring it under control.—Reuter.

Chinese Govt. Makes Big Industrial Investments

Chungking, Jan. 28.

Up to the end of 1940, the Chinese Government had invested a total of \$343,000,000 in all kinds of industries in the interior provinces, while an additional sum of US\$879,000 had been invested in certain industries by both the Chinese Government and American interests, a spokesman of the Ministry of Economic Affairs stated today.—Reuter.

Yunnan Ready to Fight Invaders

Chungking, Feb. 3. If the Japanese endeavour to invade Yunnan, this province will do its utmost to resist invasion, declared Gen. Lung Yun, Governor of Yunnan, in a special interview to which prominence is given in this morning's "Ta Kung Pao," influential Chinese daily.

"Japan's mediation in the Thailand-Indo-China dispute is mainly for the purpose of extending her influence in French Indo-China and to completely dominate the Tonkin district," Gen. Lung Yun said.

"The report that Japan hesitates to proceed southward remains to be proven," he added. "It is possible that Japan may attempt to invade Yunnan, but experts are of the opinion that Japan is not likely to attempt an invasion of Yunnan until she succeeds in the consolidation of her position in French Indo-China, since Japan must use Indo-China as her main base of attack upon Yunnan province."

"Yunnan is a mountainous and difficult terrain," said the Yunnan Governor. "If the Japanese invade Yunnan they must undertake military operations away from the highways and railways. They will have to rely on pack animals or human labour for the transportation of supplies and food."

"The present season is the most suitable time for military operations in Yunnan," he added. "Later, the weather conditions will deteriorate and the rainy season will start, which will make it most difficult for large scale operations. It is impossible to predict whether the Japanese will launch their drive before or after the rainy season. So long as Japan does not abandon her ambition to conquer China, we must be fully prepared to meet all eventualities," Gen. Lung Yun added.—Reuter.

U.S. Economist on Way To Chungking

San Francisco, Jan. 30. Dr. Lauchlin Currie, administrative assistant to President Roosevelt, left here yesterday for Hongkong on a Pan American Airways Clipper.

Dr. Currie is en route to Chungking on orders from President Roosevelt. His visit has stirred much speculation but little has been revealed, officially, of its purpose.

Because Dr. Currie is an outstanding authority on economics and because of U.S. financial assistance already extended and contemplated to China, observers believed the visit was to obtain first hand economic information.

Dr. Currie was born in Nova Scotia and came to the United States in 1925. He was naturalized in 1934. From 1927 to 1934 he was an instructor at Harvard University and later became consultant and director of research for a large cotton concern.

He joined the United States Treasury department in 1934 as a senior analyst and became director of research and statistics for the Board of Governors of the Federal Reserve System.

President Roosevelt appointed Dr. Currie his administrative assistant in 1939. Dr. Currie is a member of the American Economic Association and author of "The Supply and Control of Money in the United States."

(Chungking keenly is awaiting Dr. Currie's visit, said reports reaching here from China's capital.)—United Press.

Noteworthy Event

Washington, Jan. 26. Under the heading "Crisis in China," the "Washington Star" today described the mission of Mr. Lauchlin Currie, administrative assistant to President Roosevelt, to Chungking as a noteworthy event.

The paper pointed out that despite official reticence, the mission probably is concerned with the financial aspects of the grave problems China is confronting today.

The "Washington Star" observed that pro-Chinese feeling in the United States, coupled with Chinese propaganda, tend to obscure the fact that the protracted fighting has strained Chinese resources and has created internal stresses which threaten serious consequences.—Domei.

A group of Chinese consular officials who had been appointed to Japanese posts sailed from here for Japan last week, according to a report in the "Taiiku Shimpo." This group included Messrs. Feng Yu, Chu Shih-wei, and Lo Chien-jun, Consul-General, Consul and Vice-Consul at Yokohama, respectively, and Mr. Teng Ta, Consul at Kobe. All these Chinese Consuls are graduates of the Tung Wen University in Shanghai.

No Peace Overtures Received by Chiang

Chungking, Jan. 31. No peace overtures have been received in Chungking either from Japan directly or through Wang Ching-wei, official quarters here said today, commenting on the statement made in Tokyo yesterday by Foreign Minister Yosuke Matsuoka of Japan, in which he announced Japan's abandonment of the policy of not dealing with the Chungking regime.

It is but natural, these quarters added, that Mr. Matsuoka should attempt to placate public opinion in Japan, which is weary of the war, and he is hoping against hope to extricate Japan from the China affair in order to give her a free hand in pushing towards the South Seas.

However, they stressed, his efforts are doomed to failure, for General Chiang Kai-shek's attitude remains unchanged and China will not accept any peace terms failing to recognize her territorial and administrative integrity.—Havas.

Chungking to Improve Communications

Chungking, Jan. 31. Plans for the improvement of communications during the coming years were outlined by the spokesman of the Ministry of Communications.

Referring to railways, the spokesman said that the railways at present operating are the Chekiang-Kiangsi, Canton-Hankow, Hunan-Kwangsi and Lunghai railways.

These railways hitherto had been entirely devoted to military transportation but they were already under reorganization and would soon be ready for commercial traffic.

Though only the eastern section of the Chekiang-Kiangsi railway was still operating, the spokesman stated that this section was the most important since it handled the products of rice and salt from the south-eastern provinces.

The Hunan-Kwangsi railway has already been extended to Kweilin and has recently been further extended into Kweichow province.

A section of the Lunghai railway is running eastward from Tungwan over 100 miles. Following special arrangements the section will hereafter operate without interruption, despite Japanese artillery fire from across the Yellow river.

Following the reopening of the Burma road, the spokesman says that there are good prospects of the early completion of the Yunnan-Burma, Suifu-Kunming railways. Sections of the two railways are expected to open for traffic during the coming year.

Referring to highways, the spokesman said that the authorities during the coming year will concentrate on the improvement of through highway traffic from Rangoon to Sinkiang via Kunming, Chungking, Chengtu and Lanchow.

Waterway communications between Szechuen and Hunan and also Szechuen and Shensi will be improved.

The number of ferries on the highways will be reduced, while bridges will be strengthened.

Referring to airways, the spokesman said that a United States airliner averages 178 hours a month and in China, despite war conditions, an airliner averages 125 hours a month.

New airliners are expected to be purchased this year.

Negotiations are underway for through air traffic with India. The Ministry is also making plans to inaugurate air freight transportation.—Reuter.

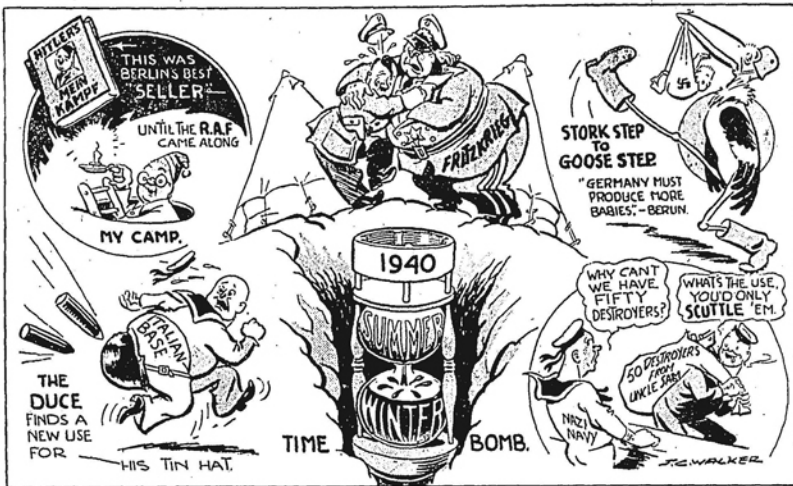
Shanghai Ordered Not To Accept New Notes

Chungking, Jan. 31. The head offices of the Bank of China and Bank of Communications are surprised at the report on January 29 that their Shanghai offices are accepting deposits in currency issued by the Central Reserve Bank of Nanking.

High officials of both banks state that no instructions have even been issued to their branches in Shanghai to accept these bank-notes, and that investigations are being made in this connection.

Strict orders have been issued to their Shanghai branches that they are not allowed to accept the new currency for deposits, the officials further assert.—Reuter.

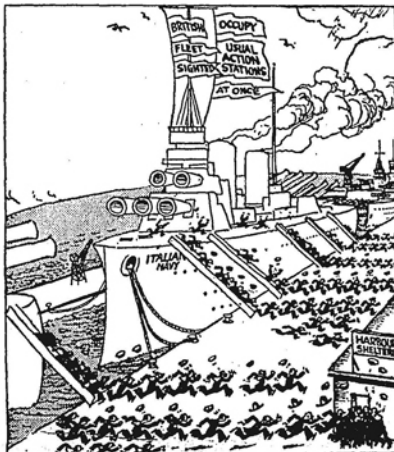
CARTOONS OF THE DAY



"News of the World"

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AN ARTIST REVIEWS THE WAR.

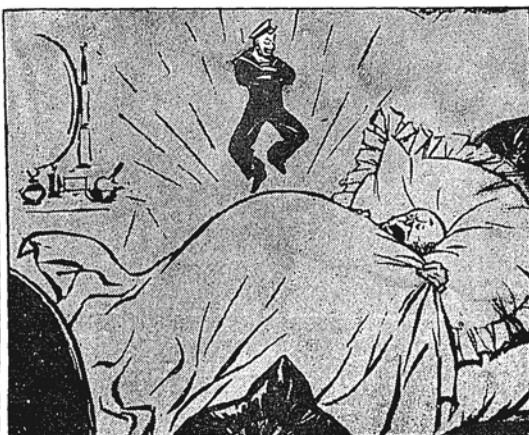


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NORTH-CHINA DAILY NEWS & HERALD LIMITED

(Incorporated in Hongkong)

Reg. Office: North-China Building, Shanghai

Telegrams: Herald Shanghai

P.O. Box 707 Telephone 11055

Letters should be addressed to the Secretary, North-China Daily News & Herald, Ltd., to whom all remittances should be made payable.

MR. MATSUOKA'S OUTBURST

Jan. 30.

It is doubtful whether Mr. Yosuke Matsuoka, Japanese Foreign Minister, would have made the bellicose statement which he did on Sunday if he had been fully apprised of the manner in which the situation is changing in Europe. While it is just as well to take the reports of what is alleged to be happening in Italy with considerable reserve, there can be very little doubt that Italian masses now realize the severity of the defeats which have been inflicted upon their troops in northern and north-eastern Africa as well as their deplorable failure in Albania. That Italy is crumbling has been apparent for some weeks now, and the failure of Mussolini to give his people news of victory, the only food upon which dictators can subsist, must tend to hurry the process. Collapse has not yet come, but it is apparent from the actions of the Germans that they expect it, and are making dispositions necessary to meet the new situation which will then arise. That will undoubtedly involve the quiet conquest of Italy and the assumption of power by Hitler, possibly through Mussolini, or some other Italian willing to accept orders from Berlin. What then will be the position of Japan? It is the British determination that the defeat of Italy shall be but the prelude to the ultimate defeat of Germany, after which Japan will stand alone without a single nation friendly to her. That will be the result of the decision forced upon the Japanese Government by military extremists, whose knowledge of the science of war has never at any time qualified them as international diplomatic experts. That they still have faith in the potentialities of the Tripartite Alliance is apparent in Mr. Matsuoka's replies to an interpellation in the Diet, but Baron Hiranuma has let the cat out of the bag by threatening suppression of any domestic criticism of the alliance, showing conclusively that there is such criticism, and indicating uneasiness because of it. The deduction to be drawn is that it is being slowly realized that the Japanese Government under extremist domination has committed itself to membership in a combination two-thirds of which face defeat in Europe.

It is all very well for Mr. Matsuoka to insist that the question of whether there shall be war in the Pacific, or not, depends solely upon the attitude of America, whose policy he insists must be changed before there can be any betterment in the situation. That is wholly at variance with the facts of the case. There is no suggestion that the United States will enter the war on the side of Great Britain and her Allies. Indeed there is every indication to the contrary. But there is also plenty to show that Washington will move if necessary to protect American interests in this part of the world, and will resist any attempt further to change the status quo. Should Japan persist in the policy at present dictated by the extremist elements a clash will become unavoidable, and the blunder which she committed when she entered the Tripartite Alliance will be repeated by precipitating a war which Japan is ill-fitted to fight. Can it be thought that Japan, entering upon her fourth year of war with China, with her economic system already under an almost unbearable strain in any position to seek to fight with a nation such as the United States with their enormous industrial potential and resources unimpaired?

The answer is so apparent that Mr. Matsuoka's declaration in the light of realities is pathetic. Bluff and bluster will not help to improve relations between the United States and Japan. Indeed the only result will be that the task of Admiral Nomura, the new Ambassador to Washington, namely, to bring about a better understanding between the two countries will have been greatly hindered even before he commences to carry out what, in the circumstances before Mr. Matsuoka's outburst, was already a difficult mission. It is not for the United States to change their attitude vis-à-vis of what is happening in the Pacific, but for the Japanese Government to realize that peace in this part of the world depends

upon recognition of, and non-interference with the lawfully established rights of the United States in this part of the world. Until it does that the danger of war must always exist.

TRUE DEMOCRACY

Jan. 30.

With great Britain engaged in the biggest struggle in her history she is still able to show that the processes of that democracy for which she is fighting can still continue. Mr. Wendell Willkie, who has gone to Britain to see conditions for himself, has already noted the fact, when, after witnessing the Prime Minister make a statement on the Boothby case, and the House of Commons discussing the question of the freedom of the Press in the midst of a crisis, he described the spectacle as magnificent and refreshing. "That," he said, "is Democracy at work. It is wonderful." The debate was on the suppression of the "Daily Worker," a Communist organ, on the ground that it was seeking to create an atmosphere prejudicial to the energetic prosecution of the war to a victorious conclusion. The action of the Government was immediately attacked by those who, *ruat cœlum*, would insist upon absolute freedom in all and every circumstance, and the debate was between confirmed doctrinaires and those realists at present in charge of the administration.

The House of Commons endorsed the suppression by an overwhelming majority, giving the Government what amounted to a striking vote of confidence. There will be those who will endeavour to make much of the Government's action as showing that it amounts to something indicative of the existence of a dictatorship. But those are the people who have deprived their own Press of freedom of speech even in times of peace, who have prostituted it to serve their own disgraceful ends. They are the people who cannot understand how it is that the newspapers of Great Britain are allowed a latitude in the matter of criticism of the Government which they could not tolerate themselves. It has been recognized from the outset of this titanic struggle that as in the past war constitutional rights would have to be suspended. Fifth columnists have been put behind the bars without trial so that they should not be able to work against the interests of Great Britain and the Empire. The suspension of the provisions of Habeas Corpus was but an example of the lengths to which real democrats would go in the interests of self-preservation.

And if the personal liberty of certain people can thus be circumscribed the suppression of activities calculated to interfere with the common determination to persevere to victory can surely be subjected to the same treatment. It is part of the price to be paid for the ultimate renewal of the old freedom that, for the time being, it shall be suspended. The spectacle of the legislature taking time apart to consider such a matter as the suppression of the "Daily Worker" must indeed have been an imposing one to Mr. Willkie. It is also highly significant. It shows that while the forces of the Crown are fighting in defence of democracy in the various theatres of war, Parliament is just as carefully watching over it on the domestic front. Democracy is being defended from within as well as from without. That is only natural in the case of a people which during long centuries has carried out the struggle to obtain a degree of personal freedom which mankind holds so dear.

Democratic ideals so ingrained in a race as they are in the British will not lightly be relinquished. Britons will not lightly submit to a system which would reduce them to the status of brute beasts living in a form of individual slavery. At the same time they will consent to a discipline in time of war with a willingness which makes it all the more striking. It is part of the price of victory that for a time the principles of democracy, where they tend to interfere with the fighting efficiency of a nation, shall be for the moment laid aside. It is indeed a small matter when the other sacrifices which become necessary are taken into account. At the same time it must be regarded as the height of political maturity that a Government has the courage to take such an action, and that the legislature has the wisdom to approve of what has been done. Subversive elements cannot be allowed to prosecute their activities to the endangering of the State in such circumstances as at present prevail. But recognizing that, Democracy still maintains a close watch upon its Government in a manner which is not permitted to enemy nations.

BRITISH CHINA SQUADRON

Jan. 31.

Those responsible for organizing the Voluntary War Contribution Fund will undoubtedly be gratified by the announcement of the Ministry of Aircraft Production, appearing in another column, to the effect that a "British China Squadron" of Hurricane fighters is to be formed as a result of the contribution of £102,000 from British communities in China. So also will those who have contributed towards this imposing success. It has yet to be decided what

emblem the squadron shall carry, and whether each aeroplane is to be named after some prominent personality or place, after which the Ministry will name a new or existing squadron in appropriate detail. Pilots who hail from British communities in China, or are closely connected with them, may be posted to the squadron if they so desire in order further to cement the bond of the Britons in China with their own fighting unit. So Britons in China may be proud of the knowledge that this latest squadron will join the exclusive list of similar squadrons already in the front line, and the community as a whole will rank with those of Burma, Hyderabad, East India and probably others from the British and Netherlands East Indies, Basutoland and the Gold Coast.

There are those who have been somewhat critical of the efforts put forward by the British community in China in connection with this war. That view is not accepted by this journal, for when currency troubles are taken into consideration, and the many millions of dollars which have been subscribed realized, it is clear that a very real effort has been made by the community to play its proper part in this struggle. That, however, should be no cause for complacency, or self-satisfaction. Now that a squadron has been obtained, every effort should be made to keep it in the air, and replace wastage through enemy action. Now that it has been born it must be kept in existence, and the necessary monthly sums must continue to go forward towards that end.

It was a wise decision on the part of the committee administering the fund locally to leave the type of aeroplane to be purchased to the discretion of the Ministry of Aircraft Production. It will be remembered that it was announced some time ago that the common desire to purchase Spitfires was giving the Ministry some embarrassment. There were people who were anxious that the money subscribed to the Voluntary War Contribution Fund should go to the purchase of bombers, but, as a squadron of those machines would cost £300,000, it is clear that at least another two years would have had to pass before Britons in China would be represented as they wished to be in the ranks of the R.A.F. But a squadron of Hurricanes will shortly be there, and the ambitions of the community will have been achieved along lines considered most suitable by the authorities at home.

This success must only be regarded as an initial one. There must be no falling off in monthly or other donations. If there are those who are not contributing monthly, voluntarily taxing themselves, they should reconsider their attitude towards this fund. If there are those who are not giving all they ought, it is still not too late to mend their ways. The number of contributors which has now been reached suggests that Britons in China have responded well to the original appeal broadcast by H. E. the Ambassador. But the question still remains as to whether every individual is giving what he should. That can only be decided by each and every conscience, and if there are any who are not subscribing because the amounts they could give would be small, they should bear in mind that no matter how minute a donation may be it goes to swell the sum total just as small streams contribute to the size of great rivers. Five dollars may seem an insignificant gift, too insignificant to forward, perhaps, but it should be remembered that that coolie who in Singapore sent along his few humble cents to the war fund there was imbued with the spirit which should move every loyal Briton throughout the length and breadth of China.

HELP THE GOOD WORK

Jan. 31.

Yesterday the Salvation Army inaugurated its annual campaign for funds, and it is sincerely hoped that, despite the many calls which have been made upon charitable Shanghai in recent months, the response will be equally as great now as it has been in the past. If figures alone can tell the story of the activities of the Salvation Army the half-page of statistics contained in the annual report bears striking witness to the work which this world-wide institution is doing here in Shanghai. To quote them all would be superfluous, but a few may be mentioned to give some idea of the great activity of the Salvation Army in doing good amongst the poor. Foreign families cared for each month number 177; single men and women assisted 250. In the foreign men's hostel meals and beds supplied total 25,510 and 12,378 respectively. In the foreign men's shelter in Muirhead Road over 28,000 beds and 63,000 meals were supplied. More than 1,800,000 cups of tea were distributed to the rickshaw coolies during the summer months of last year, 13,520 clinical treatments were given them. Rice was distributed on 78 winter nights to the amount of 295,500 bags, with 90,000 loaves and 32,437 lb. of salted vegetables.

But this does not exhaust by any means the list of the activities of the Salvation Army, who care for discharged prisoners in the whole foreign area, assisting them to their homes, providing them with clothing and food when necessary. Yet some further figures may be quoted as showing the

splendid record of the Army in dealing with Chinese refugees. The totals given cover the period from August, 1937, to July, 1940, when the Army managed the camps with funds supplied by the International Relief Committee, and the Shanghai Refugee Relief Association. The refugees cared for numbered 68,100, who received 37,166,000 meals, 65,000 garments and 20,000 units of bedding. No fewer than 447,500 received treatment in the free clinics, while 151,400 was treated in wards and given special food.

Figures alone, however, cannot tell the whole story. Yet a moment's thought should reveal the intense activity and continual application of those in the Salvation Army responsible for carrying on the good work. It is axiomatic that any charity administered by the Army is administered well, and it is impossible for anyone acquainted with their work to deny them that merit of praise. In this connection an extract from the report, showing how splendidly the Army can rise to the occasion is not without interest:—

In one night during the bitter cold spell last winter 500 people perished on the streets of Shanghai—one of the world's richest cities. When this fact was made known the people of Shanghai responded in a wonderful way and made it possible for relief work on a large scale to be carried out.

Hot rice was taken nightly by motor to the unfortunates on the cold streets and there is no doubt that many were saved from death by starvation each night the "bus" made its rounds. Eventually it was found best to make the distribution at one centre—North Thibet Road Bridge. The people were marshalled each night into a cul-de-sac. The "bus" formed a barrier and as the people filed past they each received a pound of steaming hot rice and two ounces of salted vegetable. These people were a most pathetic sight; many of them came a distance of two miles for the portion of rice.

It is in order that the work of men such as those responsible for actions like the above shall not be allowed to fail for lack of funds that the appeal which the Salvation Army is making is commended to the attention of readers of this journal. There is so much misery in the world, so much of it at present man created, that it is a blessed thought that there are individuals and organizations whose one errand is that of mercy for the unfortunate. Here in Shanghai there is a great demand upon the charitable, donors as well as workers, and it is unthinkable despite all the appeals which Shanghai has to meet that any of them should be allowed to fail. Equally unthinkable is it that the Salvation Army should be hampered in their devoted work through lack of funds, for in the words of the report "Your gift plus the Salvation Army may save a life, save a soul, mend a broken spirit, feed the starving, salvage human derelicts, straighten twisted minds, build leaders from the rejected, restore hope and faith and courage to weary hearts, bless little children."

ON ITALIAN FRONTS

Feb. 1.

The quickness with which Derna in Libya has been captured must occasion very considerable surprise, though it clearly shows how the British and Allied forces have taken advantage of the character of the terrain and followed closely upon the heels of the retreating Italians. What is even more surprising is the fact that the Italians apparently made no serious attempt to hold the position, despite the fact that it was better fortified than either Tobruk or Bardia, for though it is stated that the Italians offered more resistance than at any time during the present campaign the British were able to occupy the town after a short but terrific attack. That the Italians were unable to put up a better show was in all probability due to inferior numbers and poor morale. It is unlikely that the British forces will be able to progress towards Benghazi, the capital of Libya, at anything like the speed they have been maintaining ever since General Sir Archibald Wavell opened his campaign. The terrain which has now to be covered changes from the comparatively level wide spaces of desert into hills and ravines, which will oblige them to remain largely on the main roads, while these same natural features may prove to be of some assistance to the Italians should they decide to make a stand.

The distance from Derna to Benghazi as the crow flies is some 150 miles. By the roads it will be somewhat longer, and the speed of the British advance will depend to a great extent upon the rate at which the hills and ravines commanding the highways can be cleared of Italian troops who might otherwise threaten the flanks of the advancing columns. For that reason it would be unwise to expect any such spectacular developments as have so quickly followed each other since the British and their Allies launched the original attack upon Sidi Barrani, for it may very well prove to be the case that they are in fact entering upon the hardest phase of the whole campaign. That they will be greatly assisted by the very substantial reduction of the Italian forces is true, but there is always a possibility that the Italians may fight more desperately the nearer they are obliged to fall back upon the capital.

In Albania the Italian counter-offensive, which General Ugo Cavallero hoped would retrieve his army's defeats at the hands of

the Greeks, has been broken off. Every effort made in this counter-attack has cost the Italians dearly in men and materials, while the Greeks have not only held on to their positions but are reported now to be making further gains. All this is despite the fact that General Cavallero has been using aeroplanes and tanks in greater numbers and on terrain better suited for mechanized arms than were the mountains and ravines further south. It is reported that he intends to await the arrival of more reinforcements before attacking again, suggesting that the Italian adventure against Greece, which was, according to the Italian view, to have been something in the nature of a walk-over, is continuing to prove as expensive now as it was when the Greeks threw the Italians across the Greco-Albanian border.

In the meantime the British are closely following the Italian retreat in Eritrea where the Italians may decide to make a stand somewhere south of Agordat. From Kenya there is a slow advance into Abyssinia, while newly trained Abyssinian troops are moving forward to go to the assistance of their nationals when they are ready to rise against the Italians. Very considerable anxiety is being felt as to the fate of the 200,000 Italian settlers in the country. It is reported that they are concentrating in the larger towns, and may be able to protect themselves, though there would have been very considerable relief if the Italians had accepted the British suggestion to evacuate the women and children. To have done so would have amounted to an admission of the probability of defeat it is true, but the safety of noncombatants must surely be of more importance to the Italians than clinging fanatically to an *amortis prope* which has already suffered so badly.

HITLER'S OUTBURST

Feb. 1.

Hitler, on the eighth anniversary of his accession to power, has delivered himself of the usual type of ranting speech which the world has long been accustomed to hear from him. In a long tirade full of shrill bombast and untruth, he again makes a promise to his people, namely, that this year will be a historical one of a great new order in Europe, breaking tyranny and special privileges—in other words victory for Germany in 1941. On this occasion he has not been quite so precise as he has in the past, but he may rest assured that, just as the British foiled him in August and September of last year, when they completely threw his timetable out of gear, so will they attempt to do the same thing now with even better chances of success than they had then. For that reason they will regard Hitler's new threats with calm confidence.

So also will the United States look upon his threat of what he will do to them as they proceed with their design of giving increased aid to Britain. Here Hitler was undoubtedly endeavouring to say something calculated to have an effect upon the deliberations of the U.S. Congress on the "Lend-Lease" Bill. The cables recording American reaction to the threat show it to be precisely what was expected. The people of the United States are not to be intimidated by the vapourings of a man who has a very long way to go before he even sees any real prospect of victory, and the result of his threat is more likely to confirm the Americans in their determination to give Great Britain all possible aid than to do anything to the contrary. Hitler's oratorical grimaces frighten no one outside Germany and Italy, and, except for the fact that this wicked man has brought so much tragedy to the world, might even prove amusing. One thing is quite certain, and that is that the temper of the United States is such that threats of this nature defeat the very purpose for which they are made.

Hitler endeavours to make light of the situation in Italy, by alleging "If a few defeats of our partner convince them that Italy is going down they are mistaken." That may sound all very well to the Germans who are carefully kept unaware of what is happening. It is an attempt to minimize the severe reverses which Italy has suffered in Albania and Libya, but at the same time it is a confession of Italian failure. In this connection it needs to be remembered that the reports circulated concerning demonstrations and dissatisfaction have been admitted by the Italians themselves. They claim, however, that the demonstrations were in fact held by the Fascists themselves against alleged incorrect reporting by American correspondents, a story which will deceive no one, while an Italian newspaper endeavours to explain away the dissatisfaction by averring that it is usual for the Italians to grumble. There is, however, none of that solidarity existing between the German and Italian peoples which Hitler would have the world believe.

For once he probably tells the truth when he says that they could not be separated by British propaganda, nor the Italian people from Mussolini because of a few misfortunes. Hitler will take good care that the Italians shall toe the line of his choosing, and certainly will not allow the Italians to break away from his notorious combination. So

also may he be expected to use German forces against any domestic movement in Italy to oust Mussolini from the office which he has occupied with such disastrous results for his country. It has been thought for a considerable time that Hitler is completely devoid of a sense of humour. One passage in his speech suggests that this opinion is not altogether correct, for in the following passage there is a distinct touch of the comic:—"We two [Hitler and Mussolini] are neither Jews nor business dealers. If we have joined hands, this is a hand-clasp of men of honour." No worse misfortune could ever befall Jewry than for someone to discover these two men were in fact Jews. It is indeed a hardship for any race to have to admit them as members, while as for them being men of honour, if that is so, then the world has lost its meaning, having possibly been given a totalitarian significance which decent people cannot for one moment accept.

A WELCOME STEP

Feb. 3.

After an interval of just one year the *modus vivendi* concerning the policing of the Western Area, which was reached last February, has been supplemented by a full agreement between the Shanghai Municipal Government and the Shanghai Municipal Council, which it is hoped will settle once and for all the many questions which have been outstanding all too long, and establish means for restoring order in the "Badlands." The agreement goes into considerable detail regarding the formation of the new police force and a system has been evolved which should prove completely workable. Attached to the agreement are three appendices and one special annex, which are of the utmost importance. In the first there is provision for "close pursuit" which reads:—

Any person committing a crime in the Western Area, who runs, or escapes into the Settlement, or vice versa, and is closely pursued and arrested, will be taken to the nearest police station of the area in which the arrest is made for record only, and will be handed over direct and at once, while the Police concerned will be held in no way to blame for crossing the boundary.

This important provision should serve to remove difficulties which have arisen in the past out of conflict of police jurisdiction, and should serve to rob criminals of that asylum which could easily be secured merely by dodging across the boundaries.

The same appendix provides for close co-operation in dealing with possession of stolen property and the following up of serious cases of crime, and tends to give the Settlement and Western Area Police a degree of mobility which has hitherto not existed, and while they will each maintain their separate identity, they will in fact become practically one single unit when dealing with criminals. This should ultimately have the effect of putting a stranglehold on those criminals who, using the Western Area as their base, operate in the International Settlement taking refuge outside the limits and making it difficult for the Municipal Police to go after them.

That will indeed be a welcome change, but the provisions of the special annex are even more so:—

As soon as the Western Shanghai Area Special Police Force has been organized and established and commences to function in accordance with the Chinese law, all illegitimate businesses (such as the running of gambling dens, trafficking in opium and narcotics and providing addicts with such narcotics) shall be forbidden to exist within the area under its jurisdiction.

All illegitimate and unlawful business shall be ordered to cease with the inauguration of the Western Special Police Force and the commencement of the discharge of its functions. Any attempt to resume such activities shall at once be strictly suppressed.

If the intention expressed in this annex is carried into effect, and it is to be believed that it will be, then the end of all that makes conditions in the Western Area so deplorable may be said to be in sight. It may be that those interests deriving profit from the illicit gambling dens will offer resistance to the stopping of their very remunerative enterprise, but the Shanghai Municipal Government should be able with the assistance of the new police force to put a stop to activities which are clearly illegal, and doing an enormous amount of harm.

It is to be hoped that there will be no further delays in putting the scheme into operation, and that every effort will be made to bring the special police force into being as quickly as possible. That subversive elements may seek to prevent that being done may be taken for granted, but the worth of this most important document can only be measured by the manner in which its terms are carried out. If that is done to the bitter end, then a substantial reform will have been effected and the Alsatia of rogues and criminals will become a thing of the past. For the rest congratulations are to be extended to Major K. M. Bourne, M.C., Commissioner of the Shanghai Municipal Police, and General Loo Ying,

Commissioner of the Police Bureau of the Shanghai Municipal Government, for the successful result which has attended their negotiations over the past year, and also to the Authorities,—and particularly Mayor Chen Kung-po whose assistance has been most useful,—whose signatures are now appended to the agreement. The removal of a frequent cause of misunderstandings in the past is a step in the right direction, providing a chance for further co-operation between the two jurisdictions.

THE EXPECTED INVASION

Feb. 3.

By September it is announced that Great Britain will have between 7,000,000 and 8,000,000 armed and uniformed troops under the plan to expedite the expansion of its armed forces. Thus will have been mobilized the greatest domestic army in British history and at a speed wholly surpassing that of the last war when during the years 1914-1918 the whole of the Empire mobilized no more than 8,904,000. It is the formation of this huge army, and the severe blows which have been struck at Italy which will undoubtedly spur Hitler on to make his attempt to invade the British Isles, for it must be apparent to him that unless he can snatch a victory this spring he will face the prospect of Great Britain assuming the offensive with armies trained and equipped in sufficient numbers to administer him the defeat which alone can save Europe. That is why Ministers of the Crown are talking so openly to the world of the believed close approach of Hitler's contemplated fling. It is a good thing that they are, for the inhabitants of Great Britain are living in no fool's paradise, but are being fully informed of what may be ahead.

There must naturally be much speculation as to how Hitler will go about his invasion. But of only one thing is there complete certainty. That is that it will probably be on a gigantic scale in which thousands of German lives will be lost in an attempt to effect a landing. The main factor will undoubtedly be command of the air over the approaches to the British Isles, and that Hitler has not yet got, nor is it believed that he will be able to secure it. It will be remembered that the British withdrawal from Dunkirk was only made possible by the manner in which the R.A.F. secured and maintained local command of the air, for had it not been for their efforts the large assemblies of men on Dunkirk beaches would have been slaughtered by machine-gunning from the air and by bombing. The first signs of the coming attempt, then will undoubtedly be an attempt to destroy the R.A.F., but as Hitler's attempts to do that have not been particularly successful, and as the R.A.F. has shown fighting, if not numerical superiority the chances are that the Germans will not be able to secure such an advantage as would enable them to transport the men across the sea unhampered.

When he does strike Hitler may be expected to do so with everything which he possesses. Groups of parachutists and others conveyed in gliders will, it is believed be sent to Britain, in the hope that they will be able to disorganize the system of defence behind the coastlines. Against that millions of men are now equipped and trained, and while it is believed these enemy troops may be able to do some damage, it is expected that these British forces will be able to keep the situation under control long enough for other troops to deal with them. Lord Halifax expresses the view that the German invasion will be attempted at six or seven ports rather than at Dover, a possibility which the High Command has doubtless not overlooked, but in this connection it has to be remembered that no other port is as close to the European Continent as Dover, and that the towing of barges and the like over longer distances renders them and their cargoes all the more vulnerable to aeroplanes and surface craft.

French speculation as to when the blow will come is interesting. Basing their opinion on the occurrence of the lowest tides of the winter, comparatively smooth seas and visibility combined with the absence of the moon, giving greater obscurity and lengthy dark nights, they are reported to believe that the invasion may be attempted this month. The favourable period is expected to last from a week to twelve days, but there is no real certainty that all these factors will coincide favourably on any of those nights, while rather more than one will be necessary to make the attempt and follow it up. It is interesting to note that if the attempt comes towards the end of the month the Germans will have approximately eleven hours in which to make their crossing and effect their landing, and as it has been suggested that anything up to ten hours are necessary for towed strings of barges, etc., to effect the crossing, they will certainly not have much leeway with regard to time. After the end of the month the nights shorten rapidly and this fact supports the belief that the attempt to invade Britain will indeed be made shortly.

TOMORROW'S MEETING

Feb. 4.

It is to be hoped that the adjourned special meeting of ratepayers which will be resumed tomorrow at the Race Course will be fully attended, despite the reported intention of the Japanese not to be present. A full attendance of ratepayers of other nationalities will serve as a demonstration of solidarity and give full authority to the decisions which have still to be made, and it is for precisely that reason that it is urged upon all ratepayers to make a special point of being present. The decision of the Japanese to stay away is to be greatly regretted for a large number of reasons not the least being that it is highly desirable that in an international city such as Shanghai all communities should take their part in its administration. What is wholly undesirable is that the business of the International Settlement should be obstructed by displays of narrow nationalism, and it is an unhappy fact that such a trend is being manifested, and emphasized by this decision of the Japanese community. When the harmonious manner in which the various foreign communities in Shanghai have lived together, in times of stress as in times of peace, is remembered the tendency to make national issues of purely municipal affairs cannot but be deplored. The history of the International Settlement has shown in the past that while there have been disputes over municipal affairs it has always been possible to avert open differences between the various nationalities living here. Given goodwill there is no reason why that happy practice should not continue. It can continue provided all realize that cooperation must be mutual, and that to consideration of municipal problems must be brought a determination to deliberate upon what is best for the Settlement as a whole in as dispassionate a manner as possible. The present position of the municipality is wholly unprecedented, and this is no time for any one community to seek to impose what it conceives to be the only remedy over the wishes of the majority.

The issue was placed fairly and squarely before the ratepayers by Mr. W. J. Keswick in his reply to Mr. Hayashi's speech, in which he asked for rejection of the Japanese contention to the effect that "the municipal deficit should be met temporarily by a loan and that the obligation be liquidated at a later date by a fair distribution of the load under the revised equitable taxation system." Mr. Keswick's remarks on that point were very apt:—

"No one here is, I suppose, so foolish as to imagine that the Council has not given thought to alternative ways and means of raising revenue. A Sub-Committee of the Economy Committee specifically devoted to studying sources of revenue has already presented an interim report and is still sitting. Should that Committee bring before the Council through the Economy Committee any practicable suggestions for raising further revenues, such suggestions will, of course, be studied and the Council will not only consider their soundness but take legal advice as to whether they can be enforced. It is unnecessary for me to point out to you how dangerous it would be for the Council to base its budget on sources of revenue which might prove to be legally unenforceable. Of course, new sources of revenue would be welcome to your Council, and of course new sources of taxation could be made available by a revision of the Land Regulations. No intelligent ratepayer here will need to have explained to him the political difficulties of securing a revision of the Land Regulations at this present time.

"No one regrets more than your Council the necessity of asking you to increase the burden of General Municipal Rate and Land Tax at this time when all your financial burdens are being increased. Let me, however, ask you to examine the position fairly and squarely with yourselves. Ask yourselves the question whether the burden of Municipal taxation is one of those burdens which weigh most heavily upon you. In my belief the answer of the great majority of you will be "No." If you delay paying the bill now, there will be a far heavier bill to pay when you meet again. Already exchange has again fallen. We can none of us forecast with any certainty the future.

The outstanding point is that if there is delay in paying the bill now it will become far heavier in the future, and to endeavour to buy off trouble by temporary loans is no proper method of endeavouring to solve the Settlement's difficulties.

Parthenetically it may be remarked that it is difficult to see how such loans could be raised without that additional revenue upon which they would have to be secured, and from that point of view the Japanese amendment puts the cart before the horse. But it is not necessary here to review all the arguments which have been put forward by either side. It is, however, desired to emphasize that at the adjourned meeting the Japanese present, with the exception of a small rowdy element, took no part in the demonstration, and gave every appearance of accepting the decision of the meeting in a dignified and sportsmanlike attitude. It is to that element in the Japanese community that the rest of Shanghai must look for that cooperation which is so imperatively necessary if the good government of the Settlement is to continue. The

idea that there must always be a perpetual opposition on the part of one community to the proposals of the others, and that opposition be of a purely unreasoning national character, should not be entertained for one moment. The prosperity of Shanghai is something desired just as much by the Japanese as those others with whom unfortunately they do not at the moment see eye to eye. Upon that prosperity depends the happiness and well-being of every resident in Shanghai. It will not be secured by the creation and maintenance of schisms, but by a real desire to get to the root of the problems of Shanghai for the purpose of solving them in a purely amicable spirit. That should not be impossible. But it will need a greater degree of cooperation than is at present being manifested. What appears to be necessary is that the leaders of the various communities in Shanghai should get together with the idea of endeavouring to adjust existing differences and to arrive at a better all round understanding. It would be a hideous thing if the future of this great city were to be marred by the behaviour of a small group of irresponsibles, and Shanghai's leaders owe it to themselves and their fellow residents to see that their collective knowledge shall be used for the purpose of directing the affairs of the International Settlement along lines calculated to contribute to the successful future of the city.

NEWS SOURCES

Feb. 4.

There can be few persons in the world of today who do not wish that their news came to them from different sources than it does. The light sleeper who is awakened before the sun's rays have done more than enlumber the skies and is roused out of his slumbers by the early crowing of the cock—a witless bird, anyway, and one regarded by those who favour their morning tea at seven o'clock or even later as having been unnecessarily cracked up by poets and philosophers of both eastern and western hemispheres as Chanticleer—regrets that there should exist no later and more harmonious announcer of the coming of another day. While those whose debts to Morpheus are not so easily repaid, curse silently at the police dog which is let out of his dwelling too soon after Chanticleer has shattered the peace of night, and which barks its joy at having at last been freed from the doors and windows which kept it from the throats of the robbers and other denizens of darkness it has been convinced were prowling about all night with evil designs against its master's silverware and crockery. Chanticleer and the lively dog are both sources of news. Both murder sleep and do, therefore, in the individual newspapers which are the doings of every man day by day, really make the front page. But neither is wholly welcome. They are nevertheless direct evidences of something which has occurred and must be noted as such in even the most conservative of news-sheets.

Not everything which appears in the news-sheets of this day and age is as well authenticated. Yesterday this journal was able to publish a dispatch from the "Sunday Express" of London which said that a sudden move by the Germans to overrun the whole of France in order to threaten Britain in the western Mediterranean was reported by that paper's New York correspondent, who quoted Viechy dispatches which had been reproduced in a Stockholm paper. To get news of what was going on in France, just across the English Channel, an English newspaper had to quote New York reporting from Stockholm what was likely to happen just round the corner. That is to say that the news had to travel half way round the globe before it reached the London paper in which it saw the light of day, and from London to travel the other half way round the globe to reach Shanghai where it received the prominence it deserved. It should not be forgotten that the reports of Allied victories in Norway came from Stockholm, apparently next door to the scene of operations, and yet they proved false. From Belgrade comes news of major disturbances in northern Italy, and in some sources they are just as suspect as those which came previously out of Stockholm. There seems to be no way of getting really authenticated news from the sources most likely to give it out, except in the Democratic countries.

Most of the belligerents confine their news to communiqués which deny what other belligerents have claimed. Such and such a city has been heavily bombed and great damage has been done to military objectives. This is interpreted by the other side as damage to a cow, a rabbit, or church, and a hospital. No one knows what to believe. A notable exception are the British communiqués which, while laying emphasis upon the destruction of schools and churches, never say that no other damage whatever was done. It is possible in their case to read between the lines, that considerable other destruction also occurred. Not so the Axis. With them it would seem that the baying of Balaam's ass is too often confused with that which comes straight from the horse's mouth.

THE VOICE OF YOUTH

Feb. 5.

It is inevitable that at intervals the demand should be made that Great Britain, and her Allies should state the aims for which they are fighting. The argument seems to be that, because Hitler has made it perfectly plain what his war aims are, his opponents should do the same thing. It is not a particularly good argument for the principle object which Great Britain has in view is known, namely, the destruction of Nazism and the liberation of enslaved Europe from the bonds with which Hitler has bound it. Mr. Randolph Churchill, son of the Prime Minister, in his maiden speech in the House of Commons on November 27, made a very telling point in this connection:—

With regard to the question of war aims, did anyone really think that war was going to solve all our problems? We went into this war very reluctantly as a last resort. The idea that at the end of it one had only to wave a wand and all problems would disappear was not true. In the Army barracks one did not hear much argument about war aims. The men there knew that they were fighting for their homes, their lives, for freedom, and the right to determine their own future.

Europe knew that our victory would bring peace to all and a new chance of liberty. Of all those liberty was the greatest. Neither Hitler nor Mussolini dared offer that priceless blessing. It was England's greatest and most historic offering to a Europe enslaved. Some of the people who spoke about war aims seemed more anxious to procure some fad of their own out of victory than they were concerned in the victory itself. In some people's minds the talk of war aims sprang from a hope that there might be some easy and undiscovered way, by stringing words together and uttering pious phrases, whereby the end of the war would be brought much nearer. That was a wholly illusory view.

We had nothing to depend on in this war except our own strong right arm. To suppose that by a few polite phrases we could persuade captive nations to break their bonds and rise against their masters was a complete delusion. The nations of Europe today were ground down under a most bitter and efficient tyranny, and we had no right to expect that they would rise in any effective way until victory was already emerging above the horizon. We should certainly be very wrong to count upon it. How could we tell what the situation would be when the war was over? Who would still be our Allies and who our enemies?

That is the voice of the young generation plunged into this struggle by the grievous errors of its predecessors, just as much as by the overweening ambitions of criminally minded men, and it is a voice which has to be listened to. This is no such war as most of those which are now history. It is a world revolution, a struggle between two widely separated ideologies, between which there can be no compromise. Can it be believed for one moment that by stringing words together and uttering pious phrases a basis can be found for the reconciliation of the irreconcilable? The question has merely to be put to suggest the only possible answer. This fight must be carried on until the evil thing with which the world is threatened has been finally crushed, and mankind is given an opportunity to take stock of the position which will then have been created.

The only present aim which should be enunciated is to save what is good out of the inevitable wreckage—toleration, liberty, free speech and a broadening standard of living. It is well that men of good intention are quietly seeking to discover what sort of world can be rebuilt on the ruins which Hitler and Mussolini have created. Yet there is no guarantee that whatever plans they may be preparing will be applicable to conditions brought about by a victorious peace for Great Britain and her Allies. It follows that there can in fact be no statement of war aims at the present juncture which could possibly be productive of good. It might indeed only produce evil results, and the conclusion to be drawn is the same as that generation for which Mr. Churchill was speaking, namely, that immediate concern is for the prosecution of this struggle to victory. If Great Britain and those with her concentrate in taking care of this war, the peace can be left to take care of itself. Obviously it is highly undesirable to make any pronouncements now which would at some later time enable Germany again to claim that she was tricked into defeat by some document similar to the famous "Fourteen Points." What is wanted is as complete a military defeat inflicted upon Germany as that of 1918, without any inducements to surrender save the threat of continued resort to arms, and the opportunity which that will create to rebuild the future on the ashes of the past.

Simple Way

WHEN Mrs. Einstein visited Mt Wilson Observatory in California, she was shown the gigantic 100-inch telescope, with all its elaborate equipment and devices. After duly admiring it, she asked, "What is it used for?" "One of the main purposes," answered her guide, "is to find out the shape of the universe." "Oh," said Mrs. Einstein, "my husband does that on the back of an old envelope."

AROUND THE WORLD

The Invasion Threat

With the increasingly complicated situation on the Continent, it becomes more and more probable that Herr Hitler will try his luck before many weeks are out in an invasion of Britain. That, indeed, seems to be the only means by which he can obtain a decision one way or the other, and it has been obvious for a long time that he has never envisaged the possibility of defeat. His general staff, whose tenure of office has, as a result, been precarious, have done that for him. The quandary in which the Nazis find themselves can be summed up in the words: they must regain the initiative. Where can they do it? In the Balkans their best efforts appear to have come to nothing. Italy has proved what a gigantic bluff is Fascism in the truly pathetic showing put up by the greatly superior Italian forces against the Greeks. The Italian navy has shown that it is a better weapon in port than it is when out at sea. The Italian air force has been outfought whenever it has been in action, and when the record of its activities is finally drawn up, it will probably be found that it lost more planes than it gained. In the words: they must regain the initiative. Where can they do it? In the Balkans their best efforts appear to have come to nothing. Italy has proved what a gigantic bluff is Fascism in the truly pathetic showing put up by the greatly superior Italian forces against the Greeks. The Italian navy has shown that it is a better weapon in port than it is when out at sea. The Italian air force has been outfought whenever it has been in action, and when the record of its activities is finally drawn up, it will probably be found that it lost more planes than it gained. In the words: they must regain the initiative. Where can they do it? In the Balkans their best efforts appear to have come to nothing. Italy has proved what a gigantic bluff is Fascism in the truly pathetic showing put up by the greatly superior Italian forces against the Greeks. The Italian navy has shown that it is a better weapon in port than it is when out at sea. The Italian air force has been outfought whenever it has been in action, and when the record of its activities is finally drawn up, it will probably be found that it lost more planes than it gained.

Germany's Wanton Bombing

The enemy is getting all warmed up over the question as to who is responsible for commencing the bombing of open towns, particularly because of the very plain statement by the Parliamentary Under-Secretary of the Air Ministry that the Germans began it. The German case is that Great Britain was guilty, claiming that the British air attack on the island of Sylt, the night of January 11-12, 1940 started it. The island of Sylt is well known as a military objective and a perfectly proper target for the R.A.F. to attack. It was on the previous day that the Germans made attacks upon towns along the Thames, in Kent, such places as Newcastle and Cullercoats, as well as stations on the Firth of Forth, most of which were not military objectives at all. It was in March that a full scale attack was made upon Sylt and the Hindenberg Dam, the Germans claiming that no military damage was done and that only non-military objectives were aimed at. They endeavoured to prove their case by arranging a personally conducted tour of the island by foreign newspaper correspondents, who were allowed no freedom of action, and only permitted to see what the Germans wanted them to see. The plan misfired. It is useless for the German to try to evade responsibility for opening up systematic attacks upon open towns, for it has all along been clearly a part of their policy of terrorism. The facts by now are plain for all men to see, and to endeavour to excuse their intensified warfare upon the civilian population of Great Britain in non-military areas by this type of subterfuge does the alleged intelligence of the German propaganda machine not the slightest justice. That Britain has consistently sought out military objectives in Germany is clearly demonstrated by the conditions now known to prevail in western Germany as a result of British air activities. It is possible that there have been some civilian casualties in Germany. That is inevitable in the case of bombing from the air, but that the British have embarked upon attempts at wholesale slaughter is wholly untrue, and only to be believed by those ready to be deceived by the Germans.

More on Secret Weapons

Before the passage of the American naval expansion bill had become known in Tokyo, the Japanese Minister of Navy, Admiral Koshiro Oikawa, reassured the Diet against any need for alarm. The American naval appropriations are intended to supply the needs of a navy sufficient to guard both the Atlantic and Pacific coasts of that country and to put into commission, according to reports emanating from Japan, at least seven giant battleships of between 35,000 and 36,000 tons. It is possible at this juncture that he might be slightly sceptical of the reports of the construction of these huge ships,

since the Panama Canal must be considerably widened before they can make use of that most vital connecting link between the east and the west of the United States. The fact that Japan believes that they are being built is, however, significant of the careful watch being kept, in that country, on American naval expansion, and the nervousness with which this expansion is being regarded. Admiral Oikawa's reassurance hints at the existence in Japan of some secret weapon which will be able to nullify any advantages which the United States might gain from her huge naval construction programme. He referred to a "unique category of arms, with a contrivance originally evolved" by Japan itself. He also emphasized the importance of quality over quantity in ships, inferring that the Japanese ships now being built are better than anything the Americans have laid down. Both contentions are worth examination. In the first place the world has grown a little tired of the claim to "secret weapons." It seems quite clear at the present stage that Herr Hitler made his threat of a "secret weapon" at the outset of the European war simply as an attempt to further the war of nerves which his propagandists had fought with considerable success before September 3, 1939. If Hitler had had a "secret weapon" worthy of mention, he would have undoubtedly employed it before now. Admiral Oikawa's mysterious pronouncement about this "unique category of arms with a contrivance originally evolved" may perhaps be placed in the same category as Hitler's "secret weapon" and may be taken to amount to no more than an improvement or adaptation of some other kind of armament which the world has long known all about. And considering that all types of armaments in this day and age, when the world is at war, are being experimented with and improved upon every day, other navy ministers will not be unduly worried. So far as quality of ships is concerned, Admiral Oikawa's hint that Japanese ships are superior to American is probably intended more for home consumption than abroad. The growth of the Japanese navy has been watched with considerable attention and admiration by other naval Powers, but the conclusion has been reached that the majority of its ships are overarmed for any fighting outside Japanese waters. As an offensive weapon at a distance from Japan the navy is somewhat discounted. Taken ship for ship, it is possible that in home waters the Japanese might prove the better, though the emphasis Japanese naval designers have laid upon the weight of guns has, even in their own waters, sometimes proved disastrous. So far as general utility is concerned, there can be little doubt that the American vessels are as good as any that have been constructed, and it is very much to be doubted whether the American naval command would consent to fight a battle in conditions which would be advantageous to the Japanese. They would be much more likely to wait for their chance to catch the Japanese in conditions where their superior gun-power might prove a handicap rather than a winning factor.

United They Stand

If there ever was any doubt about the loyalty of the British Empire to the Mother Country, it has been dispelled by the announcement made by Mr. W. L. Mackenzie King, Prime Minister of Canada, that a great army of airmen, infantry and armoured units is going overseas this year. That announcement, coupled with the glorious part played by Australia, New Zealand, South Africa, India, and other parts of the Empire in the Middle East and at home, gives an emphatic lie to Axis propaganda about the weakening of the British Commonwealth of Nations in the present conflict. Never before has the Empire been as united as it is today and its vast war effort yet is hardly in its stride. When Canada's new soldiers go overseas they will not be the first to leave the country to defend a Motherland very few of them have seen. Serving in England today are Canadian soldiers, airmen and others and, side by side with them, are New Zealanders, Australians, Indians and countless others from every scattered corner of the biggest Empire the world has ever seen. In the Middle East Australians are shedding blood with British "Tommies," Rhodesians, New Zealanders, Indians, South Africans, Cypriots, Maltese and others, in defence of that Commonwealth. And the Germans talk about the degeneration of the British Empire! Not only are the Dominions and Colonies building up vast armies and air forces, but they are playing a vital part in supplying Britain with the essential war supplies she needs to win the final victory over the strongest military nation the world has ever seen. When that production of supplies is in full swing and when full aid is pouring in from America there can be no doubt about the final outcome. There is little doubt now. How can the impoverished Axis Powers hope to defeat an Empire with such vast resources in men and material? A quick stroke is needed before that war effort attains its momentum and that is what is likely to happen. Hitler, torn between the devil and the deep blue sea, is likely to stake all in one last mad gamble to defeat Britain, the hub of Empire. But he will find that country is prepared and, although the cost may be heavy, there will be no German occupation of the British Isles. In the meantime while Hitler throws his whole weight against the British people on one or more fronts, he will find that, far away out of his reach, fresh armies, navies and air forces are being formed that will turn the scales in Britain's favour before many months have passed.

Final Question

The pilot had taken great pains to explain all about his aeroplane to the pretty young visitor at the air station—its mechanical features, purpose of this and that, etc. He looked at the girl and smiled. "Now you understand, don't you?" "All but one thing," replied the girl. "And what is that?" he asked. "What makes the thing stay up?"

NEWS FROM THE INTERIOR

Severe Fighting in Honan

Japanese Claim Important Success; Strong Chinese Lines Said Pierced by Drive

Chungking, Jan. 30.

SEVERE fighting is reported on the Honan-Hupeh fronts. Japanese forces at Sinyang on the Peiping-Hankow railway are said to be pushing northward and also westward.

Meanwhile, Japanese forces in Hupeh are attacking Chinese positions in two sectors. Japanese forces on the east bank of the Han River in the vicinity of the Chungtsiang area are pushing northward along the east bank of the river opposite Ichang and are attacking Chinese positions on the south bank of the Yangtze river.

Japanese Occupy

Honan Areas

Sucheng, Jan. 28.

With all areas in southern Honan, formerly infested with Chinese troops, completely in the hands of the Japanese, three Army formations now are busily engaged in mopping up operations in the vicinity of Miyangshien, the Chinese base, according to a field despatch reaching here today.

Miyangshien was occupied on Sunday, after a snarling engagement against the Chinese troops.

Cooperating with four Japanese units, which thrust swiftly into the heart of the enemy forces, other formations pushed at high speed from the captured base, succeeding in occupying Makutien, 20 kilometres east of Miyangshien.

As a result, enemy communications are completely disrupted. Without rest, the same units drove to the north and occupied the Koshan-Miyangshien road to hamper further the lines of communication of the Chungking troops.—Domei.

Paihsuchen Cleared

At a Japanese Naval

Base, Jan. 27.

Forestalling activities of Chinese irregulars in the Paihsuchen sector, Japanese bluejackets landed near Paihsuchen and mopped up enemy troops in the neighbourhood in concert with Japanese army units, according to the communique issued today by the Press Section of the Japanese Central China Seas Fleet.—Domei.

Towns Captured

Paoanchen, Jan. 31.

Continuing their furious onslaught against 50,000 Chinese troops under General Tang En-po in the Siping area, southern Honan, on the Peiping-Hankow Railway, six Japanese detachments at noon yesterday captured Paoanchen, after routing several thousand Chinese troops armed with trench mortars in the neighbourhood of Taweiniao an hour earlier.

Four other Japanese units entered the walled town of Wuyang, east of Paoanchen yesterday afternoon after dispersing Chinese troops on a hill eight kilometres south-west of Wuyang, according to field reports reaching here.

During these operations which led to the fall of Paoanchen and Wuyang, Chinese forces suffered a loss of 4,500 killed, in addition to 570 wounded. The Japanese seized three anti-tank guns, three automatic guns, one trench mortar, 56 machine-guns, 950 rifles and eight military trucks.

In close cooperation with these units, three other Japanese units yesterday afternoon hammered enemy troops in the vicinity of Wuangchen, on the Wuyang-Yencheng highway, frontline report also disclosed.—Domei.

Aircraft Active Along Yangtze

At a Japanese Naval

Air Base Jan. 27.

Cooperating with ground forces, Japanese naval aircraft today staged intensive raids on Chinese positions on the south bank of the Yangtze River opposite Ichang, in western Hupeh, the Press Section of the Japanese Central China Seas Fleet announced today.

Another formation of Japanese naval planes bombarded and demolished the field headquarters of the Chinese 7th Division at Tsingtang, 50 miles east of Anking, according to the announcement.—Domei.

Mine-Laying Base Hit

At a Japanese Naval Base, Jan. 28.

Japanese naval aircraft last Saturday repeatedly raided and smashed Chungking troops at Wutienpu, base of a Chinese mine-laying corps, east of Anking, the Press Section of the Japanese Central China Seas Fleet announced today.

In addition to 200 Chinese dead, ten warehouses where mines were stored were blown up during Japanese raids, according to the announcement.—Domei.

The motives of the Japanese attacks are still obscure though the attacks have not yet assumed the proportions of a major offensive.—Reuter.

Japanese Field Reports

With Japanese Forces on the

Honan Plains, Jan. 30.

Newly-formed Chinese lines defended by approximately 180,000 Chungking troops comprising Central Army divisions, Kwangsi troops, guerrillas and the Communist New Fourth Army, have been pierced by Japanese columns driving forward from three directions, field reports reaching headquarters stated.

Eight Japanese columns operating out of Miyang, which was recently captured, have driven a deep wedge into the Chinese lines while a similar advance has been made by eight other Japanese detachments in the Chinese line connecting Kioshan, Chagaitaiwan and Suiping which is being defended by Central Army divisions.

The southern Honan guerrilla corps also has been crushed by a fast moving Japanese force consisting of seven detachments operating from Wulitien, reports here said. These columns were reported here to have reduced the strategic town of Junan.

In all operations, reports here said, Japanese army aircraft co-operated closely with land forces.

"Giant Offensive"

In a giant sweeping offensive designed to entrap and crush 180,000 Chinese troops comprising the cream of Gen. Chiang Kai-shek's armies in the so-called Fifth War Zone, Japanese columns were today closing in on approximately 100,000 Central Army, Communist and guerrilla troops concentrated in the flat areas north of Sinyang, in Honan Province, it was announced this morning by the headquarters of the Japanese Forces in Central China.

According to the communique, Chinese forces since their crushing defeats in the Ichang and Han River basin sectors, have been carrying out a gradual withdrawal and have recently been forming a new horseshoe defence line connecting a point to the north of Anlu with Changtai-kwan, Kingmen, and points to the north of Sinyang and Kwangchow.

Comprising approximately 20 divisions, the 180,000 Chinese troops were believed to be disposed as follows: provincial troops to the north of Anlu; Gen. Chung Che-yuan's armies on the Changtai-kwan-Mingkiang-Miyang line; Kwangsi troops in the Kwangchow sector, southern Honan guerrillas and the Communist New Fourth Army to the west of Sinyang, and Central Army divisions under Gen. Tang En-po in the sector around Suiping.

Smashing Assaults

The communique refuted Chinese propaganda that Chinese forces were about to recover the Wuhan sector and cut the Yangtze River by pointing out that Chinese troops are now being subjected to smashing assaults by Japanese forces.

With reference to the terrain in the area where severe fighting is in progress, the communique pointed out that in contrast to the hilly regions to the east of Sinyang where heavy fighting took place some time ago, the present scene of action is on the broad Honan plains. It was pointed out that should the rains come, the Hwai and Ying rivers which flow through this flat area will overflow converting the whole sector into a sea of mud.

It was pointed out in the communique that highways which criss-cross the plains have been destroyed, while the railway lines on the Peiping-Hankow line have been ripped up, apparently to forestall a swift Japanese offensive.

Further to the north, a Japanese detachment, which sped along a line connecting the Tsin and Yellow rivers, yesterday captured Yuhui, important fording point on the Yellow river.—Domei.

Japanese Launch Operations

Kwoyang, N.W. Anhwei, Jan. 30.

Sweeping Japanese operations against 140,000 Chinese troops under Generals Ho Chu-kuo and Tang En-po commenced and are now in full

swing on the plains of Honan and Anhwei, action centring in the Yellow River sectors, field despatches reaching here disclosed today.

After capturing Kwoyang, three Japanese mechanized units yesterday closed in on Szelawangmiao, 30 kilometres from here, which faces imminent seizure.

Another Japanese unit yesterday advanced to Tancheng, 50 kilometres southwest of Pobsien, northwest Anhwei, and are launching a furious attack against the Chinese.

One Japanese formation of infantry, it was stated, advanced to the south, and is maintaining and consolidating its gains after routing 2,000 cavalry troops of the Chinese 6th Division.

They were aided by the Peace and National Reconstruction Army forces under Gen. Chang Lan-feng, it was added.

Meanwhile, six Japanese detachments which launched their drive from Suiping, advanced northward, and now form a ring of steel around 100,000 Chinese troops under Gen. Tang En-po, along the Peiping-Hankow Railway.—Domei.

Japanese Claims

With Japanese Forces in

Southern Honan, Feb. 2.

Composite results of Japanese mopping-up operations in which seven Japanese units captured Mingkiang, Kioshan, Chumutien, Suiping and Siping along the Peiping-Hankow Railway, as well as Shangtsai in their rapid eastward onslaughts, in co-operation with five Japanese mobile units and three artillery units, are reported to be as follows:—

In the Panchwang area, six kilometres south of Suiping, the enemy suffered a loss of 900 killed with 80 prisoners being taken, while the Japanese gained a loot of 30 light machine-guns, 6,050 rifles, 25,000 rounds of rifle ammunition, and 500 hand grenades.

In the Siping area, where the Japanese fought with the Chungking 1st Reserve Division and 5th Division troops, the enemy abandoned 609 dead while the Japanese seized 120 rifles and 12,000 rounds of rifle ammunition.

In Shangtsai area, where the bulk of the Chungking 23rd and 127th Divisions were encountered, the enemy left 102 corpses, while the Japanese captured 10 light machine-guns, 208 rifles, 48,520 rounds of rifle ammunition and 210 shells of trench mortar ammunition.—Domei.

Siangcheng Captured

A Japanese Air Base

in Central China, Feb. 2.

According to reports of Japanese scouting planes, the vanguard of a Japanese mechanized unit proceeding along the Shangtsai-Siangcheng Highway in eastern Honan, thrust into the walled town of Siangcheng, native place of General Yuan Shih-kai, first President of the Chinese Republic, at 3 o'clock yesterday afternoon.

Succeeding Japanese troops entered the town and liquidated Chungking remnants within the walled town.

Chungking stragglers are now being hotly pursued by five other Japanese units who launched operations out of Maowan, key-point on the same highway.

Two formations of Japanese planes upon receipt of information that 4,000 Chungking remnants were being massed at Sinyeh, 200 kilometres west of Sinyang, yesterday afternoon winged their way across the Taphi Mountains in this sector and machine-gunned enemy concentrations, a field despatch disclosed today.

All the Japanese planes returned to their base unscathed.—Domei.

Mopping Up

Kaifeng, Feb. 3.

Following the reduction of Kiangsuntsi, Kalkungkiao and Yuhotsi, Honan Province, Japanese forces yesterday commenced operations against remnants of the enemy troops in that region, according to field despatches reaching here.

One Japanese detachment, it was reported, began a bombardment of pill box positions on an islet on the New Yellow River, near Kiangsuntsi, before dawn yesterday, and after a furious two-hour offensive succeeded in capturing the point.

With the seizure of the islet, the distance between Japanese forces in that region and those advancing northwards along the Peking-Hankow Railway, has been reduced to only six kilometres.—Domei.

New Bridge to Span Yalu River

Changchun, Jan. 31.

A new bridge on the Yalu River bordering on Chosen and Manchou-kuo is to be constructed at an estimated cost of ¥1,500,000. The bridge will be completed in about two years.—Reuter.

Japanese Offensive Spreads

Vast Enveloping Movement Reported to Be Encircling Chinese Forces

With Japanese Forces in Central China, Feb. 3.

THE giant Japanese offensive in western Honan Province spread to the adjoining province of Anhwei as the Japanese cordon was extended southward in a vast enveloping movement against the Chungking army under Gen. Ho Chu-kuo, front line reports reaching headquarters here stated.

Simultaneously, Japanese forces based at Kaifeng were reported to have struck in a southwesterly direction straddling the new course of the Yellow River by occupying an island stronghold at Kiangsuntsi, south of Tungku.

According to reports, this has created a pocket in which Chinese troops are being mercilessly pounded from the air and by artillery.—Domei.

Foe Said Routed

With Japanese Forces Along

Honan-Shansi Border, Feb. 3.

Six hundred Chinese troops belonging to the Eighth Division of the 27th Army were routed on the Tschchow-Tsinghwan Highway and are fleeing into the Tshing mountain region, following an attack by Japanese troops at 1 a.m. on Saturday.

The Chinese unit was part of the force under Gen. Sun Tung-Hsuan stationed in southern Shansi, but was sent to reinforce the Loyang area defence as a result of the Japanese offensive along the Peking-Hankow Railway.—Domei.

Mopping Up On Yangtze

Japanese Navy Base in

Central China, Feb. 2.

A thorough mopping-up of Chungking guerrillas in the area between Sankiangkow and Paihsuchen, approximately 45 kilometres south of Nanchang, Kiangsi province, since the beginning of last week by a joint naval landing party has been highly successful, a weekly resumé issued yesterday by the Press Section of the Central China Fleet stated.

During the past week another party was landed in the vicinity of Howchinkwan, between Hankow and Yoyang where a clean sweep of a large number of guerrillas was conducted with the co-operation of a furious bombardment from a Japanese naval flotilla on the Yangtze.

The same communique further stated that these two places had not been cleaned up for a long time but as a result of the present operations the Japanese forces believe that the guerrilla menace has been exterminated. The Japanese flotilla also dealt with 38 floating mines on the Yangtze during the week.

Repeated bombings throughout the week against Chinese military establishments at Kaotan, Chinghang, Wutienpu and Tangliencheng, all situated south-east of Anking, were also conducted, the communique concluded.—Domei.

Kingtchehen Heavily Bombed

A Japanese Naval

Air Base, Feb. 2.

A number of naval fliers of the Japanese Yangtze Flying Corps yesterday morning subjected Kingtchehen in North Kiangsi to a severe bombardment, the Press Bureau of the Japanese Central China Seas Fleet Command revealed in a communique issued this morning.

A direct hit was scored on a military garage and a camouflaged motor bus running on a highway 30 kilometres east of Kingtchehen was machine-gunned, the report said.—Domei.

Japanese War Chiefs Meet

Tokyo, Feb. 3.

Summoned by the War Minister, Lieut.-Gen. Hideki Tojo, high officers of the Japanese Army, from both at home and in the field, assembled at the War Office at 9.30 a.m. today to open a two-day series of extraordinary conferences.

Chiefs of staff of Japanese armies in the field were headed by Lieut.-Gen. Seishiro Itagaki, Chief of Staff of the Japanese Expeditionary Forces to China. Chiefs of Staff of the Kwantung Army, the Formosan Army and the Korean Army were present as were high officers at home including Lieut.-Gen. Osamu Tsukada, Assistant Chief of the Army General Staff, and Lieut.-Gen. Korechika Anami, Vice-Minister of War.

The conference, it was revealed, was called to discuss improvement to be made in Army efficiency, improving the quality of effectives, tightening discipline and improving the Army's moral.—Domei.

Japanese Repulsed

Say Chinese

Chungking, Feb. 1.

The fighting in southern Honan and northern Hupeh was reviewed in great detail by the Chinese military spokesman in an official statement released here today.

Japanese forces in southern Honan launched an attack on Jan. 24, it is stated, for the purpose of completing the occupation of the entire length of the Peiping-Hankow Railway. Meanwhile, Japanese forces in central and northern Hupeh areas also launched attacks so as to support the Japanese drive in Honan and divert the attention of the Chinese command.

The Japanese offensive began at Sinyang, important Honan railway centre near the Hupeh border, the attack being made by three columns. One of these pushed northwards along the Peiping-Hankow Railway towards Paomaling. By the night of Jan. 28 fighting was going on in the vicinity of Koshan. The central Japanese column succeeded in breaking through to Shatzheng, while the southern column reached an area in the vicinity of Tungku.

In northern Hupeh the Japanese attack was also launched in three columns. One column pushed from Tangyang towards Kwanynai, but after severe fighting the Japanese withdrew, and on Jan. 28 retreated to Tangyang.

Another column attempted to drive northward from Kingmen, but was repulsed by Chinese troops.

The third column moved north from Chungtsiang, but on Jan. 27 also withdrew to original position.

After stating that the Japanese failed in these attacks, the Chinese military spokesman added that Chinese forces were at present closing in on the Japanese troops in south Honan in areas in the vicinity of Koshan and Tungku.—Reuter.

Japanese Claim Victories

South Honan, Feb. 1.

Wielding under the tremendous pressure exerted by a many-propped Japanese offensive on both sides of the Peiping-Hankow Railway, Chungking troops under General Tang En-po belonging to the 55th, 100th, and the newly organized 1st Divisions, were fleeing in confusion toward the south bank of the Yellow River.

In the Shangtsai sector east of the railway six Japanese detachments pounding relentlessly against the main body of the 85 Army since Thursday afternoon, caused the enemy to abandon positions and flee to the north.

Following closely on the capture of Paoanchen on Thursday by six detachments, the same units pressed on without stop to push back the Chinese 15 kilometres north of the city, to the neighbourhood of Kiushien.

One formation of infantry, meanwhile, crossed the Li River and making a rapid detour north of Kiushien, subjected the Chungking troops to harrying attacks.

Northwest of Junan, which has already been captured, five Japanese detachments now threaten Chinese troops that fled from the town, in the narrow passes of Yangchow and Chenfahwang.

Cooperating with the Japanese infantry, a mechanized unit rumbled through Yingwan, northeast of Junan, causing severe losses to the fleeing Chinese.

Chinese troops which abandoned positions at Siping after repeated Japanese attacks, encountered three other Japanese units which promptly engaged them. A sanguinary battle then ensued, with the Chinese unable to keep up under the Japanese onslaught.—Domei.

Under the present anti-illiteracy scheme, the Kwangtung Provincial Government has planned the construction of another 16,500 public schools in various districts during the current year so as to teach the rudiments of education to adults and children, says a Shiuikwan message to the "Cheng Yien Pao."

NEWS FROM THE INTERIOR (continued)

Hunan Railway's
New Extension

FROM OUR OWN CORRESPONDENT

Siangtan, Hu, Jan. 15.
The railway has been extended to within a few li of Siangtan and tickets were sold today at the new station across the river for Hengyang and all points south. The motor road is to be rebuilt or repaired between Siangtan and Siangsiang, which will make communications to that city very much better, but the chair-carriers who have been reaping a rich harvest, at \$3 per day, per man, will find their chances on that road badly curtailed.

The programme for bringing down prices of commodities, specially the price of rice is not working very well, because farmers do not bring their rice into market and consequently people find great difficulty in getting sufficient even though there is plenty to buy. The soldiers and lawless ones catch the rice and pay according to the new regulations or less, so there is great inconvenience in obtaining rice even at the old prices, which still prevail for all but the soldiers. Meanwhile the prices of everything else keep high.

The Catholic church is opening a new hospital here soon. The building is being repaired and a Jewish refugee doctor has been employed. The Siangtan Presbyterian Hospital has a new American nurse just arrived, Miss Edith Thompson, who came over the Kwangtung northeast road from Hongkong, taking more than one month to make the trip. The party of six had 220 pieces of baggage which came through without loss. They had a harrowing time with planes overhead and bombing all but three days during the entire trip.

Petty Banditry Rife

There is a good deal of petty banditry in some sections of this country. The area which was cleaned up some years ago of armed bandits is again harassed by local ruffians who send a request for a certain amount on a date set, and they come to the house and negotiate as though it were a bona fide transaction. There is no redress but if properly done the original amount may be lessened considerably.

Schools have closed early because of the high prices of food. Teachers are scarce and salaries too low, so that institutions have some difficulty in getting teaching staffs, unless they are prepared to raise salaries or provide bonuses. The provincial educational authorities have opened a normal training class or classes in Lelyang, where each primary school is requested to send at least one representative.

Hunan seems to have a gold mining craze on in various sections and some gold is being sifted out of the sands; nuggets have been found in Siangtan county. Many farmers are working at this during the winter days and it is reported, they are making good wages at it.

The Government is making progress in improving many sorts of commodities for export such as pig bristles, tea and oil. There are many rumours of reconstruction programmes to be started, but meanwhile communications are difficult and expensive. Salt trade has at last been so well organized that even salt shops are permitted to sell again, which has not been the case for months. The Government still rations salt for the most part.

Splendid Moral of People

Last year will be remembered in Hunan for its wide spread bombings in some cities and for the disruption of many lines of communication, but also for the splendid moral of the people in all sorts of reconstruction projects. In spite of uncertainty and insecurity, rebuilding of bombed and burned cities has gone on and in many instances with better looking buildings than before. There are a host of uplift agencies, some of which are doing good work, while others seem not to be worth the expense entailed.

French Consul Injured
By Japanese Bomb

Hanoi, Jan. 30.
Japanese planes on Tuesday afternoon bombed Langson in southern Kwangsi near the French Indo-China border, damaging a French mission and a well-marked, beflagged French Consulate, it was learned reliably yesterday.

Missiles dropped by the planes wounded the new French Consul, M. J. Camaly, and also a French priest, it was understood. Both were brought by river across the border to Langson, Indo-China, where they were taken to a hospital, it was said. The planes were believed to have been flown from an Indo-China base.—United Press.

Colony Observes
Centenary Week

Hongkong, Jan. 30
Hongkong's Centenary Week passed quietly, war conditions restricting the observance to a special issue of stamps, broadcast speeches, a Church service and newspaper supplements. The community is reserving its energies until the end of the war, when a carnival programme is expected to be arranged in belated celebration. At present, people are concentrating on the raising of money for the war funds, which is going merrily ahead, a special flag day bringing in almost \$10,000 in a few hours.

So far the Colony has contributed to Britain's war effort two gifts of £100,000 each from war revenue, an annual gift of £200,000 from Exchange Stabilisation profits, about £100,000 from the publicly-subscribed bomber fund, and some smaller private donations and loans. In addition, a local naval building programme will probably start soon, with the construction of two mine-sweepers, while Hongkong's productive potentialities will soon be harnessed as a result of the recent Eastern Group Conference at New Delhi.

In its special Centenary supplement, the "China Mail" has culled some interesting items from the files on the Colony's early days.

In the Early Days

It reveals that the Hongkong Police Force was organised in May, 1844, two years after "that barren rock" became a British possession. It was then known as the Colonial Police Force and its members were called Greencoats, from the colour of their uniforms.

The Hongkong Volunteer Corps, forerunner of the present Hongkong Volunteer Defence Corps, was formed in March, 1862, comprising a battery of light artillery. However, it was disbanded six years later owing to continuous non-attendance of its members—a far cry from conditions today.

The first marriages in the Colony were solemnised in 1842 in the "Matched Church" which was on what is now a military parade ground. On the night of September 22, 1874, the entire Police Force was confined to barracks by the Captain Superintendent, owing to a typhoon, instead of being sent out to do rescue and salvage work, a measure which drew severe criticism. The typhoon was responsible for the loss of 35 foreign ships.

Over 2,000 lives were lost and some \$5,000,000 worth of property was destroyed in less than six hours.

The first ship built in Hongkong after the occupation was launched on February 7, 1843. It was the Celestial, of 80 tons. Among the latest ships to leave the slipways here were two 10,000-tonners.—Reuter.

Five Killed in C.N.A.C.
Aeroplane Crash

Hongkong, Jan. 31.
Five men were killed and a fourth was seriously injured when a China National Aviation Corporation plane crashed on January 20 in mountains near Kian, wartime capital of Kiangsi Province, it was announced today.

Dead were Mr. Bernard Wong, pilot; Mr. K. C. Wu, co-pilot; Mr. C. Cheu, radio operator; Mr. Z. Kwong, a company employee and Mr. Y. W. Yeh, who had chartered the plane and was travelling on it with his freight.

The sole survivor was Mr. P. L. Chang, another radio operator, who is recovering in a hospital.

The plane was believed to have crashed in a thunderstorm. It was located by a searching party which brought Mr. Chang to a hospital last night, said C.N.A.C. officials.—United Press.

Freedom of Tientsin
Britons Questioned

Tokyo, Jan. 31.
The Japanese authorities have been trying to give British subjects in the Tientsin area as much freedom as possible since the lifting of the blockade, but it must be considered that large-scale military operations are still going on in China, said the deputy spokesman of the Information Board today.

This statement was made when he was questioned regarding a London message that a question had been asked in the British House of Commons as to whether the situation in the British Concession at Tientsin was now satisfactory and whether British subjects were able to pass into the Concession and the adjacent occupied areas without interferences. The question had been answered negatively by the Foreign Under-Secretary, Mr. R. A. Butler.—Reuter.

Many Freeze to
Death in Peiping

Peiping, Feb. 2.

Although this winter has been unusually mild in Peiping, a sudden cold wave swept over the city a few days ago, causing the temperature to plummet down, says the "Sin Min Pao."

As in previous years, the cold wave has taken a heavy toll of lives among the beggar classes, local police authorities reporting that on one night alone twenty persons were found dead on the streets.—Havas.

N.E.I. Rushes Arms
Manufacture

Batavia, Java, Jan. 26.

Thousands of natives and Europeans today turn the wheels of war production in the Netherlands East Indies ordnance and powder factories at Bandoeng in west Java.

Literally square miles of shops, forges, and shell assembly plants hum day and night. The Dutch are determined not to be caught unprepared in the event of a sudden war.

Apart from the actual casting of guns, most phases of the manufacture of munitions and war materials are encompassed in the barbed wire that encloses the plants.

Certain machines that came from Germany originally—precision instruments, heavy lathes, and automatic drills—are sometimes missing. The newest developments in the machine tooling field must come from America.

Whirring bolts and chattering machinery surround spaces that have nothing in them except the already laid concrete bases that await delivery from America of vital pieces of intricate machinery.

The lens grinding department is particularly bare of the delicate apparatuses that are needed to produce range finders and battery commander telescopes.

"Production in some parts of the factories is being held up until the required machinery arrives from the United States," said an ordnance Army colonel, "But we hope that it will come soon," he concluded.

Confidence is high among High Command staff offices that American machines will arrive soon, but there is little doubt that many important functions in the manufacture of war materials are being neglected because of absence of machinery that cannot be made here, nor purchased elsewhere than in the U.S.

Sabotage is unknown in the ordnance and powder factories, and strikes unthought of in the midst of hordes of native workers. These work for 15 cents a day turning out bomb casings, TNT, and countless rifle bullets. Their lot is a lucky one, for they receive more working for the government than they would in ordinary native occupation.

In the TNT sections, blocks of high explosive about the size of a cake of soap are made in great numbers. The blocks are especially prepared for hurried mining of bridges, and the creation of obstacles by blasting mountainsides in the path of an invading army.

Other parts of the plant turn out rifle bullets in surprising quantities. At top speed several machines can manufacture 10,000 bullets an hour.—United Press.

Alleged Japanese
Demands on N.E.I.

London, Jan. 31.

Japanese economic proposals to the Netherlands East Indies in the current Batavia conference include the right to lay a cable from N.E.I. to Japan and to establish regular aviation service between the two countries, reliable Dutch circles said yesterday.

The Japanese insist the economic interdependence of the N.E.I. and Japan includes these suggestions which, experts believe, would give Japan a privileged position with N.E.I.

Authoritative Dutch opinion here rejects the theory that the N.E.I. and Japan are economically interdependent.

Other proposals contained in the Japanese delegation's memorandum to the Dutch were reported to be for freer admission of Japanese immigrants, special facilities for prospecting and mining, extension of fishing rights and increased import quotas of Japanese industrial products.

The memorandum has not yet demanded increased oil exports, but that question may arise, Dutch circles said, when last autumn's six-months' N.E.I.-Japan oil accord expires.—United Press.

Kulangsung Council Again
Becomes Inoperative

Tokyo, Jan. 30.

The Kulangsung Municipal Council once again became inoperative when three members, the Chairman, Mr. L. H. Hitchcock, Mr. J. M. Morhaus, and another member resigned, according to Japanese reports from Amoy.

The council meeting which was scheduled to be held on January 24 in order to discuss the four-point representation handed in on January 21 by the Japanese Consul-General regarding the shooting of Huang Chung-kang, Fernan president of the Amoy District Court on January 17, and the Municipal Council's budget was unable to meet legally because of insufficient members.

The business of the Council has been taken over by the Consular Body under the Chairmanship of the British Consul-General, Mr. N. Fitzmaurice, according to a precedent set in 1926, when the Council was unable to be formed.—Reuter.

St. Giles School Aids
War Effort

Shanghai, Jan. 30.

St. Giles British School, Tsingtao, is including in the curriculum of its senior classes a weekly talk on the war given by the Headmaster. The boys are given opportunities to engage in war work by collecting stamps, etc., and the girls by knitting and sewing—week-end homework has been abolished and "preps" reduced, giving more time for them to engage in these activities. The first batch of 13,000 stamps has recently been sent off, while the girls' efforts at needlework have proved a financial success at a recent Red Cross bazaar.

In addition to this the school has a voluntary scheme for contributing to their own pocket money which is sent to the various ships of the British Navy whose hospitality the school has enjoyed in the past.

The formation of St. Giles into a limited liability company under the Hongkong Ordinances is now under way. The rapid development of the school recently proved convincingly the necessity of placing it on a permanent footing as it fills a great need in China.

Permits Needed to Take
Money Into N. China

Hankin, Jan. 30.

Effective February 1, the Manchukuo Government is to revise partially the Foreign Exchange Control Regulations in order to enforce a permit system on currency taken out of the country by persons proceeding to North China. The only exception will be Chinese labourers returning to North China: their money is different in nature from travelling expenses.

This decision, which was taken at the Manchukuo-China Trade and Foreign Exchange Conference held here on January 10, aims at preventing the illegal conversion of money, also at alleviating confusion at border stations.

Under this revision, all persons travelling to North China will be required to obtain permits from the Ministry of Finance and Commerce in case they wish to take any money with them as travelling expenses. In the past a small sum has been permitted without a permit.—Reuter.

Britons in Manchoukuo
Wear Union Jacks

Mukden, Jan. 30.

The majority of Britons in Manchoukuo are wearing small Union Jacks in their button-holes.

These miniature metal flags were purchased a month or so ago by a Mukden resident from the Cathedral School in Shanghai. Their cost price was little more than a dollar, but they are being sold at anything from \$2 to \$100 each. Proceeds are to be donated to the Spindle Fund or to some other form of war effort.

On Christmas Day a further supply of these Union Jacks was received and they were quickly taken up by the small British community in Harbin. Now they are a familiar sight on coat-lapels and dresses in the Mukden and Harbin clubs.—Reuter.

German Consulate at
Manchouli to Open

Changchun, Feb. 3.

Establishment of a German Consulate-General at Manchouli has been agreed to by the Manchoukuo Government. It was announced today. Mr. Beekman, German vice-consul of the Yokohama Consulate was reported nominated for the post of first German Consul of Manchouli.—Domei.

Japanese Squadron
75 Miles Off Saigon

Saigon, Jan. 28.

A Japanese Fleet which was sighted on Saturday off Cape St. Jacques at the entrance to Saigon harbour is anchored 75 miles south of the Cape, it was reported yesterday.

The Fleet was said to consist of three cruisers, three torpedo boats and one aircraft carrier.

Meanwhile, the arrival of 3,200 Japanese troops at Hanoi and Haiphong in the last five days brought the number of Japanese soldiers in Tonkin to more than 9,000, it was learned.

French warplanes yesterday and Sunday bombed Thailand's cities of Aranya and Srakeo, while artillery and automatic rifle fire continued along the Mekong River opposite Thakhet.

French artillery answered the Thai shelling, it was learned officially, and silenced the Thai batteries.—United Press.

Renewed Tension

Chungking, Jan. 28.

After a period of lull in Far Eastern developments well-informed Chinese and foreign quarters here see a possibility of important developments.

A heavy concentration of Japanese troops in the vicinity of Halphong in French Indo-China is indicated by reports reaching Chinese quarters.

Motives Not Known

While the motive of the concentration is not yet known, it is believed that the concentration of Japanese troops in northern Indo-China is partly to exert pressure on Indo-China when the Indo-China-Japan economic negotiations are going on in Tokyo, and also, at the same time, constitute a thrust to make a drive on Kunming and cut the Burma Road.

Private information reaching here from Tokyo and Shanghai indicates renewed tension in those places forecasting the possibility of an early showdown between Japan and the United States. Chinese and foreign quarters in Chungking are, therefore, keeping a close watch on developments in the Far East.—Reuter.

Singapore Building
Camps for Evacuees

Singapore, Jan. 29.

Authorities here today announced details of proposals to provide camps for evacuees from possible battle areas in and near Singapore in the event of an emergency.

The plan also provides protection for the population in congested areas of Singapore by dispersing them to the surrounding country. Dormitory camps will be built soon to accommodate 15,000 of the 75,000 persons living in the "battle areas," and 25,000 of the 210,000 persons living in congested areas, said an official communique.

The authorities decided not to build air raid protection shelters for the public.—United Press.

War Close to Malaya
Governor States

Singapore, Jan. 31.

Sir Shenton Thomas, Governor of the Straits Settlements and High Commissioner of the Federated Malay States, said today active war was closer to the shores of Malaya than ever before.

Sir Shenton made the statement while advocating an income tax for the Federated Malay States.

"I am not exaggerating. I am not an alarmist. I tell you plainly this country may yet have to face a state of war, the cost of which is utterly incalculable."

"It would be made self-complacency and wishful thinking of the most reckless kind not to recognize it and make full provision, financial and otherwise, within the time available."—United Press.

Japan Consulates in
Manchoukuo Reduced

Changchun, Jan. 31.

The number of Japanese consulates in Manchoukuo is to be reduced. Their functions are to be taken over by Manchoukuo officials.

It is felt that the border administration in North Manchoukuo has now reached the stage where the Japanese diplomatic service may transfer to Manchoukuo agents the work of gathering information about the

Japanese Embassy authorities have decided to abolish the four consulates at Hallar, Tungan, Sulfenho and Hunchun, also several branch consulates.—Reuter.

No Armistice Between Thai and Indo-China

Bangkok, Jan. 28. Prospects of a truce agreement and a cessation of hostilities in the Thai-Indo-China war seem to be jeopardized if the Secretary-General of Indo-China is correctly reported as saying that the fighting will only end when Thai forces are withdrawn completely from Indo-China.

It is learnt in official quarters here that Thai forces will not be withdrawn from Indo-China as a condition preceding the opening of peace negotiations.—Reuter.

Still Firing

Bangkok, Jan. 28. The Thai High Command at noon today announced French Indo-China forces were still firing on Thai forces at 11 a.m. despite the agreed armistice deadline of 10 a.m.

The High Command said, however, that despite the French continuing hostilities, the Thai army ceased firing at 10 a.m. as agreed and did not answer French guns.

The French were said to be firing in the vicinity of Vientchandra, Pakse and Sisophon.—United Press.

France Reluctant

Tokyo, Jan. 28. France was "reluctant at first" to accept the Japanese offer of mediation in the Thailand-French Indo-China border dispute, Mr. Koh Ishii, spokesman for the Cabinet Information Board, told newsmen today.

Mr. Ishii said he did not believe Third Powers were instigating Indo-China to show an uncompromising attitude towards Thailand.

"Frankly speaking, France at first was reluctant to accept Japan's offer of mediation in the conflict with Thailand, but she accepted it after all."

Questioned about a press report from Hanoi that Indo-China was assuming an uncompromising attitude towards Thailand since France's acceptance of Japan's mediation offer, Mr. Ishii said he believed the report referred to details to be negotiated between the two countries.

Negotiators at the Franco-Japanese parity being held at Tokyo are meeting almost daily to discuss the draft agreement article by article, Mr. Ishii declared.—United Press.

Thai Cabinet Discusses Proposals

Tokyo, Jan. 28. The Thai Government yesterday morning held an emergency Cabinet meeting to discuss its attitude towards the truce conditions proposed by Indo-China, according to a Japanese report.—Reuter.

Venue of Parleys

Bangkok, Jan. 27. Franco-Thailand armistice negotiations are likely to take place in Saigon with Japanese observers present at the proceedings, it was indicated here today. The holding of the negotiations at Bangkok, however, has not been wholly overruled.—Domei.

Luangprabang Captured

Bangkok, Jan. 30. Thai forces on Tuesday captured Luangprabang on the Indo-China side of the Mekong river, the High Command disclosed today.

Administrators were appointed for the district, which the High Command said was Thai territory.

Luangprabang was one of the territories which Thailand demanded be returned by the French. Reviewing hostilities the High Command said Thai casualties totalled 100 killed and 300 wounded.

Meanwhile, the Thai "Blood" party sponsored a rally for today "to represent the desire of the people."

The party yesterday distributed leaflets expressing "public resentment over the French action of availing themselves of the opportunity to attack us after cessation of hostilities."

Earlier the High Command had announced that French forces continued to fire after the agreed armistice deadline of 10 a.m. on Tuesday.—United Press.

Territory Incorporated

Singapore, Jan. 29. By an order dated January 26, the Supreme Command of Thailand has issued administrative regulations incorporating Indo-Chinese territory already occupied by Thai forces within contiguous Thai provinces, says a communiqué issued by the Thai Consulate here last night.—Reuter.

French Airmen Congratulated

Saigon, Jan. 25. A telegram congratulating the French air force operating in Indo-China was received here today from Rear-Admiral Platon, the French Colonial Secretary.

The message pointed out that "the particularly brilliant successes of the force must encourage all of us."—Havas.

Thai, Indo-China Parleys Start

Bangkok, Jan. 29. Fighting between Thai and French Indo-China forces has ceased, except for minor clashes between front line patrols, the High Command announced late today. The announcement came while a Thai-French armistice commission, with Japanese mediation, negotiated aboard a Japanese warship anchored off Saigon.

A Thai delegation will leave for Tokyo on the first available plane to open permanent peace negotiations with French and Japanese authorities, said an announcement. The Thai armistice commission left Bangkok today at 1.15 p.m. for Saigon.

Delegates took off in a Japanese plane. Their departure, originally planned for this morning, was delayed until the Council of Ministers adjourned a special session at 12.30 p.m. But though peace was the object of the journey and hostilities were to have ceased formally yesterday at 10 a.m., hostilities continued later at various places on the border, said the High Command.

A comic opera touch was lent the battle west of Sisophon yesterday when, two and one half hours after fighting was supposed to have ceased, shells were still exploding on both sides.

At 12.30 p.m., said the High Command, the French suddenly ceased firing and waved a white flag of truce. A French and a Thai officer then advanced from their respective lines, compared watches and agreed their forces had been fighting over time.

Officials Said Missing

But instead of ceasing hostilities, the High Command said, the French officer retired to his lines and shortly thereafter French forces staged an attack.

Thai forces counter-attacked, the High Command said, surrounded the French and captured 40 native soldiers.

The Thai commission to Saigon comprises eight delegates headed by Colonel Shra Silpa Sastra, Chief of the General Staff and including Luang Sindhuray, Secretary of State for Foreign Affairs and representatives of the Army, Navy and Air Force.

Negotiations will be held on a Japanese warship at Saigon, (the Natori, said reports from Hanoi), it was announced. Conferences will begin as soon as the commission arrives.

The Cabinet went into session at 9.30 a.m. to discuss the entire situation.

Reliable sources, meanwhile, said fighting continued on the frontier as late as 5 p.m. yesterday and many informed sources here doubted that a truce would be signed because of the continuation of hostilities.

A French biplane made a forced landing at Songkha, in north Penang, yesterday at 3 p.m., the High Command said, and the pilot was arrested.

French shelled Bansamrong from 12.30 p.m. to 1.30 p.m. yesterday, said the communiqué, but it did not reveal whether the fighting continued today or whether it was general or confined to isolated localities.

French troops refused to cease firing at 10 a.m. yesterday, the High Command said.

The French "took advantage" of the Thai cessation of firing at 10 a.m. and opened a heavy artillery fire on Bansamrong, the High Command declared. The French also sent reinforcements to their position in that sector, it was added.

The High Command said the Thai forces opened fire in self-defence in earnest at 1.30 p.m., "resulting in a French defeat in which many prisoners were taken."

The communiqué said the incident had been reported to the Japanese Government.

Detailing the fighting until the order to "cease firing" was issued at 10 a.m., the High Command said Thai forces continued to advance on all fronts and captured Changka, nine kilometres from Sisophon.

Thai forces also occupied five villages in the Aranya sector and two towns in the Ubol sector, the communiqué reported. They also advanced from Bansamrong, occupying Chongai, it was said.

In the northern sector some villages also were occupied by Thai troops, the communiqué stated.

French artillery fired on Kaekuan in the Champasak sector in an abortive attempt to recapture the city, the communiqué said, adding the Thai forces repulsed the attack.

The High Command said that at 11.15 a.m. two French twin-motored planes dropped bombs on forests at an undisclosed point.

The Thai Royal Air Force had bombed Pailin and Sisophon for two hours, beginning at 7.10 a.m., and

also had attacked French troop positions with good results, the communiqué reported. All Thai planes were reported to have returned, despite strong anti-aircraft resistance.

The High Command said Major-General Luang Bipul Songram, Premier and Thai Commander, had notified members of the Japanese Mediation Mission that the French had continued to fire after the armistice deadline.

Official quarters said Thai forces would not be withdrawn from Indo-China territory before peace negotiations began.

Thai observers were confident Japan's mediation would award Thailand Luang Pramang and Pakse territories. Some quarters felt, however, that if Thailand's original request for territory in Cambodia and Laos was not ratified, hostilities would be resumed.—United Press.

No Results

Saigon, Jan. 29. While Japanese planes hovered off Cape St. Jacques, at the entrance to Saigon, Japanese, French and Thai delegates met aboard the Japanese cruiser Natori here at 6 p.m. today and opened armistice talks, but after 30 minutes the conference adjourned with nothing accomplished. French officials, however, expected that the armistice conference would be successfully concluded tomorrow night.

Seven Japanese, six French and six Thai officials participated in the conference, in which the Japanese language was used. The Thai and French delegates used interpreters.

M. George Gautier, chief of the French delegation, said that French troops along the entire border "ceased fire" yesterday at 10 a.m. and that they did not fire a single shot after that hour.

The Japanese planes which hovered off Cape St. Jacques were from a Japanese aircraft carrier attached to the Japanese naval squadron cruising in the waters of that area.

A French official, however, said that the French authorities had granted permission to the Japanese to hold training flights over the area.

He declined to comment, however, when asked regarding reports that the Japanese had asked for permission to fortify Cape Ranb Bay and also use the Saigon airfield.

Meanwhile, reports from Hanoi said that authoritative quarters there declared that the 3,000 new Japanese soldiers who arrived last Friday at Haiphong aboard three Japanese transports will replace the old Japanese garrison at Haiphong. The former garrison troops, however, will be transferred to Banghin, northeast of Hanoi, and Haidoung, south of Hanoi, the reports added.

Last Friday, the Japanese authorities announced that the new soldiers would relieve the troops stationed in Indo-China.—United Press.

Conditions Presented

Saigon, Jan. 30. Major-General Raishiro Sumita, Chief of the Japanese military mission to French Indo-China and Chairman of the Japanese Delegation, presented the conditions for armistice to the French Indo-China and Thai delegations at the armistice negotiations which began yesterday at six o'clock aboard the Japanese warship in harbour here.

Replies of French Indo-China and Thailand are expected to be handed to Major-General Sumita today.

Well informed circles expressed the belief that Thailand will accept the terms, but the attitude of the French Indo-China delegation is held uncertain.—Domei.

Thai Delegates Chosen

Bangkok, Jan. 30. The Thai delegates to the armistice conference with French Indo-China to be held at Tokyo are leaving for Tokyo by air on February 2, it was announced here.

The delegation will be headed by Prince Varvalayakara Varavarn, adviser to the Foreign Ministry, and will include Colonel Luang Tevarit Paruluk, Chief of the Air Staff and Commander Luang Somburana Yudhawija, Naval Attaché to the Legation in Tokyo.

The date for the conference has not yet been fixed.—Reuter.

Mechanized Division

Chungking, Jan. 30. The entire division of the Third Japanese Mechanized Division, after its arrival at Hainan Island proceeded to French Indo-China while the Japanese second fleet sailed southward from Saigon, says the Chinese daily "Ta Kung Pao" this morning.

Japanese aircraft meanwhile subjected Nanning city to a heavy aerial bombing yesterday.

It is reported that 27 Japanese aeroplanes twice bombed Kunming yesterday, dropping many demolition bombs on densely populated districts of Kunming city.

Many of the bombs landed in the vicinity of the South-West Joint University, while the gate in front of the "Chao Pao," a Chinese daily in Kunming, was badly damaged.—Reuter.

Thailand, French Armistice Signed

Saigon, Jan. 31. The Thai-French Indo-China armistice was signed today at 6 p.m. aboard the Japanese warship Natori in the harbour here.

The armistice provided for mutual withdrawals of troops on both sides from present fighting lines and establishment of a 20 kilometre buffer zone between them.

Armistice terms will apply until the final peace settlement is negotiated in Tokyo.

French and Thai delegates to the armistice negotiations and Japanese mediators toasted each other with champagne after signing the document which formally ended hostilities begun on November 27, 1940.

The armistice calls for the creation of the buffer zone within 72 hours.

Troops of each country are to withdraw ten kilometres from the positions they occupied when fighting ceased officially at 10 a.m. last Tuesday.

Thai troops, however, even after withdrawing ten kilometres will occupy one area in Laos Province and several minor areas in Cambodia Province in Indo-China because their thrusts took them further than ten kilometres into French territory.

The armistice terms also fixed a line in the Gulf of Siam which neither the Thai nor French navies will be allowed to cross. Neither Thai nor French planes will be permitted to fly over the buffer zone.

The Thai and French delegates accepted Japanese proposals presented to them last Wednesday.

The armistice will only remain valid until the final peace terms are agreed on in the negotiations to be held at Tokyo. The armistice terms, however, may be prolonged only upon the agreement of all three Powers.

The Japanese armistice delegation shall control the execution of the armistice terms, with both Indo-China and Thailand promising the Japanese the necessary facilities.

With the armistice concluded, attention here now turned to Tokyo, where the peace negotiations will be opened shortly.

The fate of Indo-China's southern naval bases and airfields probably will be decided in Tokyo, where already negotiations are being held between Japanese and the French regarding Indo-China's economy.

Japan probably will make a bid for the southern Indo-China naval and air bases as a reward for mediation in the Thai and Indo-China hostilities, informed quarters believed.

Quarters connected with the armistice commissions said that the Japanese were most anxious to open the peace negotiations in Tokyo without any delay.—United Press.

Armistice Terms

Vichy, Feb. 2. The terms of the armistice between French Indo-China and Thailand, signed at Saigon on January 31, provide for the following changes according to a semi-official French dispatch from Saigon.

1. The withdrawal of both armies 10 kilometres from positions occupied at 10 o'clock on January 28.
2. The withdrawal of both the parties naval forces to agreed positions.
3. Aeroplanes of both countries are forbidden to cross a line 10 kilometres beyond the line of retreat of the troops.
4. Abstention from any military act liable to renew hostilities.

5. The period of the armistice is fixed at 15 days from January 28 inclusive.
6. This ensures the necessary facilities for the Japanese delegates in the execution of their mission.

7. The cessation of hostile propaganda and the resumption of communications between the two countries, while the Thai Consul will return to Saigon.

A tripartite commission will be constituted to settle eventual incidents.

The line of demarcation encroaches slightly on the territory of French Indo-China.—Reuter.

Armistice Confirmed

Vichy, Feb. 1. The conclusion of an armistice between Thailand and Indo-China was officially announced here today in a communiqué released by Rear-Admiral Platon, the Secretary of State for Colonies.

"An agreement regarding the cessation of hostilities between Indo-China and Thailand has just been signed in Saigon," the communiqué states. "It contains various provisions for the simultaneous withdrawal of military activities, and particularly for the simultaneous withdrawal of

their troops. It also contains restrictions on flying.

"Parleys with a view to reaching a final settlement of the Franco-Thai dispute will commence in the near future," the communiqué concluded.

Delegates Appointed

It was officially announced here today that M. Charles Arsene-Henry, the French Ambassador to Japan, and M. Robin, former Governor of Indo-China and head of the French economic delegation at present in Tokyo, have been appointed the French Plenipotentiaries at the forthcoming negotiations of the Franco-Japanese Thai armistice committee.

These negotiations will be held in the Japanese capital.—Havas.

Peace in Two Weeks

Bangkok, Feb. 2. Thailand's delegates to the peace conference in Tokyo were expected to leave here for the Japanese capital on February 5. It was announced officially here last night.

Official quarters said that an agreement would probably be reached in the Tokyo negotiations within a fortnight after the conference opened.

Although it had been expected that the Thai delegation would leave Bangkok almost immediately, authoritative circles last night said that the delay had been occasioned by the fact that a large Japanese plane which is to carry the delegation to Tokyo would not be available for the trip before February 5.

Meanwhile the Thai delegates to the armistice conference in Saigon returned to Bangkok yesterday. Up until last night the terms of the armistice signed in Saigon had not been announced in Bangkok.—United Press.

Japanese Destroyer at Bangkok

Bangkok, Feb. 2. The 1,200-ton Japanese destroyer Sumisaki, which was reported to have arrived off the mouth of the Menam River three days ago, is at present anchored off Bangkok.

It is stated that no special significance attaches to its visit as its commander is paying a courtesy call on the Premier during its stay here.—Reuter.

French Attack Alleged

Bangkok, Feb. 1. French troops, using five tanks, attacked Thai forces occupying Bankwansamak yesterday at 8 a.m., the High Command announced today.

Thai forces surrounded the attackers, captured 18 prisoners and all five tanks, it was announced. Two Thai soldiers were injured.

The Government, meanwhile, announced incorporation into Thailand of 37 French Indo-China towns captured by Thai forces during hostilities which ended officially on January 28 at 10 a.m. and which culminated in signing of an armistice in Saigon yesterday.

The High Command said 172 Indo-China officers and soldiers were captured during the two months of fighting. Fifty-nine of the men were Europeans, it was announced.

An 18-man Thai delegation will leave Bangkok for Tokyo and peace negotiations with French officials as soon as the armistice delegation returns from Saigon, authoritative sources said. The armistice delegates were expected to return here today or tomorrow.—United Press.

New Orders to Japan Shipping Firms

Saigon, Jan. 31. Japan has forbidden Japanese ships to carry goods from French Indo-China to foreign ports in counteraction to an officially-inspired British boycott of Japanese vessels. It was learned yesterday.

British officials in Hongkong last week issued a notice that goods shipped from Indo-China to British possessions in Japanese ships would not be allowed to unload in British territories.

The Japanese boycott applies especially to carrying Indo-Chinese goods to British ports, it was understood.

The Japanese order indicated Japan expects soon to obtain all of Indo-China's products for itself. It was known, meanwhile, that the French recently promised the Japanese 700,000 tons of the coming rice harvest for a fixed, cheap price, payable in blocked yen.

The Japanese were believed by informed sources here to be attempting in present to obtain a monopoly of Indo-China's 60,000-tons-a-year rubber harvest.

The French were said to be resisting this attempt because planters usually sell to the U.S. and do not want the blocked yen, which, informed sources said, was practically worthless.—United Press.

NEWS FROM JAPAN

U.S. Stand Must Be Changed

Deliberate Misunderstanding of Japan "New Order" Charged by Foreign Minister

Tokyo, Jan. 26.

DECLARING that the fate of the world's civilization depended solely upon the attitude of the United States, Mr. Yosuke Matsuoka, Japanese Foreign Minister, today said that "we must have the United States reconsider its attitude."

Mr. Matsuoka further charged that the United States had abandoned the Monroe Doctrine and had extended its defence frontier to the western Pacific.

The Foreign Minister's charges were made in answer to an interpellation by Mr. Yoshimichi Tsuboi concerning President Roosevelt's recent fire-side chat and the recent speech of Mr. Cordell Hull, U.S. Secretary of State. The interpellation was made when Mr. Matsuoka appeared before a meeting of the Budget Committee of the Lower House, which was held today, despite the fact it was Sunday.

The Foreign Minister charged that the U.S. had not only extended its defence frontier from the eastern to the western Pacific, but had included Australia and New Zealand therein.

Objection "Outrageous"

"It is outrageous that the United States should object to Japan's control of the western Pacific," Mr. Matsuoka said. "We must control the western Pacific."

"We must have the United States reconsider its attitude not only for Japan's sake, but for the world's. If this is impossible then we cannot hope for an improvement in Japanese-American relations."

"The fate of the world's civilization depends solely on the attitude of the United States. I intend to make every effort toward effecting American reconsideration to the last. I want it understood that this is impossible through flattery."

Refuting Mr. Hull's charge that the Manchurian Incident had been the first step in the destruction of world peace, Mr. Matsuoka asserted that "the Incident was the first step toward the construction of world peace, through the establishment of the great East Asia co-prosperity sphere."

Misunderstood on Purpose

"The U.S. authorities can understand it (the co-prosperity sphere) but purposely do not," the Foreign Minister continued. "We cannot change our national policy to endorse the American view."

"About 20 years ago there were only a score or so of people in America who said that China was the first line of defence for America. However, the opinion has gradually spread until it is firmly implanted among the country's influential classes."

"America's present assistance to Chungking is the outcome of this calculating mind. Truly speaking, genuine co-operation between Japan and China would not annoy the United States. However, the United States' fundamental policy is to restrain Japan through China, wherefore, even if Japan respected American rights in China, or withdrew her soldiers from China, it is impossible to change this American policy."

"Japan's course is to face this situation with strong determination," said Mr. Matsuoka. He asserted that the Anglo-Saxon nations were eager to maintain the status quo in East Asia.

"However," he went on, "if the maintenance of the status quo were favourable for Japan, they would not hesitate to help its modification. When the Chinese tried to destroy Japan's vested interests in Manchuria and Mongolia, which Japan had established at the risk of her people's existence, the Anglo-Saxons gladly encouraged the Chinese."

Hostilities the Climax

"This made the Chinese proud and pious until matters culminated in the Lukowich Incident (the outbreak of Sino-Japanese hostilities)."

Replying to further interpellations, Mr. Matsuoka denied that Japan entertains misgivings with regard to the Tripartite Alliance between Japan, Germany and Italy.

In answer to a question about the application of Article Three of the pact, wherein it is specified that the signatories agree to come to the aid of any one of them if attacked by a third Power not at present involved in the war, the Foreign Minister said that while it would be difficult to distinguish the aggressor, it was safe to assume that the article would be duly invoked excepting in the event of Germany offensively attacking the American continent.

"Japan is not attempting to shirk her responsibility," he said. Baron Kiichiro Hiranuma, the Home Minister, said that any do-

Surprise Felt in Washington

Washington, Jan. 28.

There was surprise here, to put it mildly, that the Japanese Foreign Minister, Mr. Yosuke Matsuoka, should, at a time when relations are so unfortunately strained, have aided to the tension by accusing Mr. Cordell Hull so bluntly of making a statement "so obviously distorted that it would not stand the briefest scrutiny."

Mr. Matsuoka's statement was made on Sunday at a meeting of the Budget Committee of the Lower House in reply to an interpellation.

If Japan really does desire better relations, this appears to be a curious way of achieving them, state some observers, who add that Mr. Matsuoka's latest statement would appear to argue that Japan desires relations to worsen rather than to improve.

His statement, it is further asserted, does not, from this point of view, appear to be evidence of the statesmanship based on actualities which he asserts both nations require.

The position here appears to be that facts in Asia answer Mr. Matsuoka without a word being spoken on this side, for whatever Mr. Matsuoka may tell the Diet there remains the historical fact that the seizure of Manchuria was the first act of aggression in the last tragic decade, and what has been happening in China for three and a half years belies his statement that Japan is not interested in conquest, aggression or exploitation.

Deeds Needed

The feeling here seems to be that these three words selected by Mr. Matsuoka himself are all words necessary to sum up Japanese policy in Asia since 1931.

"The Washington Star" says in commenting on Admiral Nomura's departure for the United States, it is "deeds not words that are needed to convince us that Japan is anxious for our goodwill."

The United States, the paper adds, "is committed to a course of action fundamentally opposed to her aggressive ambition to dominate the Far East. Japan knows this, and Japanese statesmen have minced no words in disclosing that the Empire's adhesion to the German-Italian Axis constitutes a threat to American security and that if we should venture, in our own interests, to intervene in the European war as an ally of Britain we shall automatically find ourselves in a conflict with Japan."

American Wish

The paper also says that "if Admiral Nomura embarks on his task with an adequate appreciation of these fundamentals in Japanese-American relations, he will start in a spirit of realism. That it would be vouchsafed to him to bring about an intelligent appreciation in Japan of what is required for genuine amity is the wish heartily cherished by the American people."

Writing on the subject of the exchange of telegrams between President Roosevelt and Emperor Hirohito on the President's inauguration, the "Baltimore Sun" takes the opportunity to remark that, while appreciating this continuance of exchange of polite telegrams, "Mr. Roosevelt can never be expected to advance the success of Japan's current policies, nor give them that sympathy which only yesterday Mr. Matsuoka again insisted must be the sine qua non of American-Japanese amity."—Reuter.

Prominence in Tokyo

Tokyo, Jan. 27.

All vernacular dailies this morning gave the utmost prominence to Foreign Minister Yosuke Matsuoka's replies to interpellations before the Budgetary Committee of the Lower House yesterday morning. The leading daily, "Asahi," devoted three-fourths of its front page to a verbatim report of the Foreign Minister's statements.—Domei.

Domestic criticism of the Tripartite Alliance with Japan would be suppressed.—United Press.

U.S.A. Warned of Consequences

Tokyo, Jan. 28.

Commenting on Mr. Yosuke Matsuoka's declaration in the Lower House Plenary Budget session on Sunday, the influential "Yomiuri Shimbun" today warned the American people that if the United States thought the Three-Power Pact would not come into operation if the lease-lend bill was approved, "then the consequences will be dreadful."

The newspaper stressed that Mr. Matsuoka's statement on Sunday clearly indicated Japan's adherence to the Three-Power Pact.

As Mr. Matsuoka pointed out, during the World War Japan fulfilled her obligations under the Anglo-Japanese alliance, so in the present case, Japan would be loyal toward her partners of the Three-Power Pact, the "Yomiuri" asserted.

Views held by a section of the American leaders that a certain group of Japanese will hinder operation of the Three-Power Pact "are mistaken," the daily said.

The paper declared it was a "terrible misunderstanding on the one hand, and laughable on the other."

The Three-Power Pact, which was finally concluded during the second Konohe Cabinet, brought into the minds of the American people who only saw the outward movements of Japanese politics, the belief that there was some group in Japan opposing the pact, continued the "Yomiuri."

Such "wishful thinking" however, may not be out of place for Americans, but the "Yomiuri" pointed out that Mr. Matsuoka made clear Japan's position.—Domei.

"What Determination Means"

Tokyo, Jan. 28.

The "Nichi Nichi" said editorially that "should the U.S. challenge Japan any further in complete disregard of realities existing in East Asia and of Japan's determination, America will have an experience of what Japan's determination means."

"Simultaneously, a great crime of throwing entire humanity into the holocaust of war will be committed in the name of so-called 'justice and peace' chanted by the U.S.," the "Nichi Nichi" declared.

"That is why the Japanese people want America to reconsider her attitude."—United Press.

Japan Minister on Relations with U.S.

Tokyo, Jan. 30.

The present state of Japanese-American relations is not "desperate," Foreign Minister Yosuke Matsuoka told the plenary session of the Lower House Budgetary Committee yesterday evening, as the seven-day series of debates were rounded up. Subcommittee meetings will begin their sessions this morning.

"I firmly believe that we must strive to the very end without despairing to improve the situation... I am dealing with Nippon-American relations in that spirit," declared Mr. Matsuoka.

Stating his belief that Admiral Kichisaburo Nomura is admittedly the best candidate for the post of Japanese Ambassador to the United States in view of his long acquaintance with President Roosevelt, Mr. Matsuoka said that "I have asked him to bring realization to President Roosevelt, Secretary of State Cordell Hull, and other American leaders that a Japanese-American war would not merely affect the two countries but would affect the destiny of mankind."

Mr. Matsuoka recalled that he asked Admiral Nomura to accept the post, despite the latter's two-fold refusal.

Replying to another question put by Mr. Kasai, the Foreign Minister said he did not expect to see an improvement in Soviet-Japanese relations which had been steadily deteriorating the last decade. He expressed the belief that Premier Vlashevsk Molotov's desire to improve Soviet-Japanese relations remained unchanged, but he declined to discuss the question of Soviet Russia and Chiang Kai-shek as a matter too "delicate."—Domei.

Soviet Commission for Fishery Pact

Tokyo, Jan. 28.

The Soviet Government today notified the Japanese Foreign Office that six delegates had been named to a Soviet-Japanese commission which will meet in Moscow shortly to formulate a permanent fisheries treaty.

M. S. A. Lozovsky, Acting Foreign Commissar, was among those named to the delegation, the Foreign Office was informed. Russian and Japan recently concluded a modus vivendi extending for one year a previous and temporary fisheries agreement.—United Press.

Pact May Be Invoked

Contingency Might Arise if Situation in Pacific Becomes Worse, Minister States

Tokyo, Jan. 31.

A CONTINGENCY as specified in Article 3 of the Axis-Japan pact might come about should the situation in the Pacific take a turn for the worse in view of the possible passing of the Lease-and-Lend Bill by the Congress of the United States, American development of naval and air bases in the Pacific and Anglo-American cooperation there, declared Mr. Yosuke Matsuoka, Foreign Minister, yesterday.

Article Three of the tri-power pact provides that Japan, Germany and Italy should undertake to assist one another with all their political, economic and military means when one of the three contracting parties is attacked by a power at present not involved in the European war or in the Sino-Japanese conflict.

Mr. Matsuoka stated this in reply to a question during a Budget subcommittee meeting in the House of Representatives yesterday, regarding the significance of Article Three of the Axis-Japan pact vis-a-vis the current international situation in the Pacific area. The questioner pointed out that Asia is included in the area to be covered by the Lease-and-Lend Bill now before the United States Congress and that Japan's life-line was being menaced by Anglo-American cooperation in the Pacific area as well as by the strengthening of American naval and air bases there. Mr. Matsuoka said that the contingency as specified by Article Three might occur in case the situation in the Pacific, as mentioned by the interpellator, takes a further threatening turn.

Referring to China and the South Seas, the Foreign Minister said that

Anglo-American movements in China and the South Seas were very important to Japan and therefore the Government was constantly watching the situation both from the diplomatic and military viewpoint.

Today the Deputy spokesman of the Information Board at the press conference was asked to clarify Mr. Matsuoka's statement and he said that the invocation of the tri-power pact depended upon Japan's decision, adding that it might come with a future development in the situation.

"Anyway," the Deputy spokesman said, "We remain loyal to the tri-power treaty."—Reuter.

Mr. Ishii's Warning

Tokyo, Jan. 31.

Japan may invoke the common defence provisions of the Three-Power Pact depending on future developments of the Pacific as a consequence of passage of the American lease-lend bill, Mr. Koh Ishii, deputy spokesman of the Information Board, indicated this morning at the press conference with foreign correspondents.

Stating invocation of the Three-Power Pact rested upon Japan's decision, Mr. Ishii added that it might come with future development of the situation.

"Anyway we remain loyal to the Three Power treaty," the spokesman remarked.

Question of the Three-Power Pact was brought up for discussion by correspondents who asked Mr. Ishii to clarify the statement of the Foreign Minister, Mr. Yosuke Matsuoka, before the first Budgetary Subcommittee of the Lower House on Thursday.

Mr. Fukuzo Nakayama, former member of the defunct Minseitō Party asked Mr. Matsuoka the significance of the common defence provision embodied in Article Three of the Berlin pact which specifies the signatories will come to the aid of any one of them if attacked by a third power not at present engaged in war, in relation to the prevailing situation in the Pacific.

Asia is included in the lease-lend bill, while Japan's life-line is being menaced by Anglo-American cooperation in the Pacific where American naval and air bases are being strengthened, it was pointed out at the sub-committee meeting.

The Foreign Minister then added that contingency of the specified Article Three depended whether developments in the Pacific were of a threatening nature.

Mr. Matsuoka also said Japan was constantly watching Anglo-American movements in the South Seas and China, as the situation in those regions was "very important" to Japan.—Domei.

Nippon Paper States U.S. Rushing Into War

Tokyo, Jan. 30.

The U.S. is rushing war preparations against Japan, the "Asahi" said today in a special article from Los Angeles.

Naval oil tankers have been found insufficient, the article said, and various oil companies' tankers have been drafted and at present are plying between the mainland and Hawaii.

Aircraft factories, dockyards and naval arsenals on the Pacific coast are booming, causing an acute shortage in dwellings, the "Asahi" said, adding many labourers are living in trailers.

Also, the article reported, repairs, equipment and new devices for warships of the U.S. Pacific Fleet are being undertaken secretly.—United Press.

Japan Plans Evacuation In Case of War

Tokyo, Jan. 28.

The Government is reported to be working on a plan to evacuate people above 60 years of age and children under 14 from big cities to rural districts in case of war, according to press reports.

By this move the authorities hope to prevent needless large sacrifices as a result of air raids and also to allow greater freedom of action to home guards and others guarding the cities.—Reuter.

Chiang Urged to Join Nanking

Tokyo, Jan. 27. Although formally recognizing and fully supporting the Nanking Government, Japan would continue exhorting General Chiang Kai-shek to join Nanking, the ultimate object being a full settlement of the Sino-Japanese conflict, declared the Foreign Minister, Mr. Yosuke Matsuoka, in replying to a question at yesterday afternoon's session of the Budget Committee.

The Government, he said, had hitherto vainly tried to induce General Chiang to reconsider his attitude and join Nanking.

Regarding the retrocession of Japanese concessions in China, the Foreign Minister stated that although the exact time could not be told, it would be done as soon as possible.

At the same time, he asserted, foreign Powers would be exhorted to act likewise.

Asked if he intended making representations to H. J. van Mook, Economic Minister of the Dutch East Indies, in regard to the latter's statement expressing opposition to the inclusion of the N.E.I. in the new order in East Asia, Mr. Matsuoka stated that everything was covered in his speech before the Diet.

As a result of the negotiations conducted since last year, he continued, an economic understanding had been reached between Japan and the N.E.I. nearly satisfying Japan's needs, and the rest was being taken up by Mr. Konichi Yoshizawa.

Queried about his intention of sending Admiral Nomura to the United States, the Foreign Minister said the main purpose was to exchange frank views with Government circles and leaders in America.

Regarding Siberian railway facilities extended by the Soviet Union, the Foreign Minister said they were satisfactory and much greater than those of last year. He added that Japan-Manchoukuo joint negotiations were not going on with Russia in this respect.—Reuter.

Reconsideration Sought

Tokyo, Jan. 29. The Japanese Government "hopes the occasion will present itself" when the Chungking regime may be invited to join the Nanking Government following the latter's "reconsideration," Mr. Yosuke Matsuoka, Foreign Minister, told the first budgetary subcommittee of the House of Representatives in replying to questions by Mr. Fukuoka Nakayama, former member of the defunct Minseito Party, and Mr. Ryoji Inoue, former member of the defunct Social Mass Parties.

Admitting that he sought Chungking's "reconsideration" after assuming office on August 22 last year, Mr. Matsuoka revealed that Japan had suggested that Chungking merge with the Nanking Government led by Mr. Wang Ching-wei "in order to establish the foundation whereupon general Sino-Japanese peace may be discussed."

Japan recognized the Nanking Government as the Central Government of China following the failure of its efforts to secure Chungking's reconsideration, Mr. Matsuoka declared, adding that the Japanese Government "hoped the occasion again would present itself when a similar invitation to Chungking would be possible."

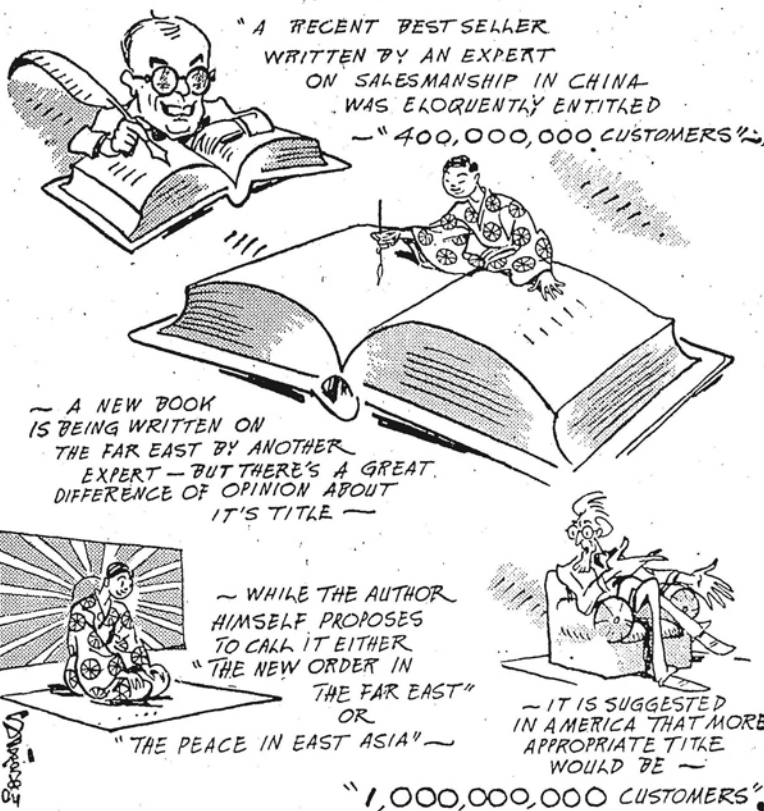
"However, I wish to state that the main cause of such failure will differ from the past in that we now have recognized the Nanking Government and the time is not propitious for such overtures," the Foreign Minister added, remarking that he was not at present looking for Chungking's reconsideration.

"Inasmuch as we desire to bring the conflict to a conclusion as soon as possible, we are merely endeavouring to secure Chungking officials' reconsideration in that they may merge with the Nanking Government," the Foreign Minister stated, recalling that Mr. Wang Ching-wei had offered to resign the Presidency of the Nanking Government should this prove an obstacle to general Sino-Japanese peace.

"Mr. Wang Ching-wei made it clear that his Administration was not reluctant to merge with Chungking if the latter should reconsider even after our recognition of the Nanking Government," the Foreign Minister declared.—Domei.

Tokyo Awaits Reply on Excalibur Incident

Tokyo, Jan. 28. Britain has failed to reply to the Japanese protest regarding the seizure of money and other personal effects of Japanese passengers on board the Europe-bound American liner Excalibur at Bermuda on December 23, Mr. Koh Ishii, Deputy Spokesman of the Cabinet Information Board, said in replying to a question by foreign correspondents today.—Domei.



Another Best Seller?

Konoye Shoulders Responsibility

Tokyo, Jan. 28. Holding himself responsible for prolongation of the Sino-Japanese conflict, the Premier, Prince Fumimaro Konoye, pledged before the Budget Committee of the Lower House yesterday to devote his entire energy to a settlement of the war.

The Premier's statement was given in reply to an interpellation by Mr. Shochi Miyake, former member of the Social Mass Party.

Prince Konoye expressed his firm resolution to exert himself to the utmost to settle the war.

The Premier asserted in part: "In spite of the fact that the Sino-Japanese conflict has entered its fifth year, there is little prospect of a settlement. The fighting services are not responsible, in fact it is nobody's responsibility but mine. I feel, indeed, it is unpardonable before the Throne and the entire nation that already millions of funds have been spent, while thousands of soldiers have been sacrificed and I am determined to exert myself to the utmost to overcome the situation, as my last service to the State."—Reuter.

Parliamentary Backing

Tokyo, Jan. 27. Parliamentary backing of the Konoye cabinet during the present national emergency was perfected this morning as the House of Peers unanimously adopted a brief resolution urging the government to exert further efforts to realize national policies.—Domei.

Japan Pleased With N.E.I. Oil Supply

Tokyo, Jan. 29. Much larger quantities of oil had been secured by Japan from the Netherlands East Indies than she hoped for at first, Mr. Yosuke Matsuoka, Japanese Foreign Minister, told the Budgetary Committee of the Lower House. Moreover, Japan expected to obtain considerable quantities in ordinary commercial transactions, the Foreign Minister added, though he declined to give specific figures, as he said, the agreement of the Netherlands East Indies authorities was required before the amount could be made public.

The recent "unfriendly tone" of the Netherlands East Indies press was regretted as also were the attacks upon Japanese residents, Mr. Matsuoka said.

"We are not following a weak policy, nor are we quarrelling," the Foreign Minister declared, and pointed out that Japan was now engaged in the "long awaited economic nego-

Southern Expansion of Japan May Be Limitless

Tokyo, Jan. 29. The Japanese Government should lay claims immediately to the South Pole, according to a memorial adopted at a meeting here yesterday. The meeting was held in the Seinden Kaikan, in commemoration of Lieut. Naoshi Shirase's expedition to the South Pole 30 years ago. Lieut. Shirase attended the gathering, at which the memorial was adopted and transmitted to the Government.—United Press.

Settlement of China Affair Undertaken

Tokyo, Jan. 30. A grim determination to assume full responsibility for the settlement of the China affair was manifested jointly by both the Ministers of the fighting services yesterday before the plenary meeting of the Budget Committee of the House of Representatives when replying to a question put to them.

Paying a tribute to the Prime Minister, Prince Fumimaro Konoye, for expressing his firm resolve to pull the country through a difficult period and his assuming full responsibility for the settlement of the China affair, Lieut-General Hideki Tojo, the Minister of War, replied that his mental attitude was just the same as that stated by the Prime Minister in the Lower House on January 27.

The Minister of War stated, "Since the outbreak of the Sino-Japanese conflict, I am convinced the army must assume a heavy responsibility for its successful conclusion. No efforts shall be wanting on my part to bring the China affair to a successful conclusion at the earliest possible opportunity thereby setting the Emperor's mind at rest, paying due tribute to the officers and men who had fallen in action in China and responding to the solid support extended by the entire nation."

Admiral Oikawa, Minister of the Navy, entirely subscribed to the Minister of War's view, declaring: "I was moved to tears at hearing the reply of the Prime Minister the other day. The entire Navy, from the Navy Minister down to the sailors, are aware that the responsibility for the settlement of the China affair should not be shifted on to the Prime Minister alone."—Reuter.

"With the Netherlands East Indies, adding that Japan would endeavour to seek a correction of the Dutch attitude by means of diplomatic protests.—Reuter.

Cost of China War To Japan

Tokyo, Jan. 29. Three years and nine months of war in China will have cost Japan Y1,745,000,000 by January 31 this year in extraordinary military expenditures alone, the Finance Ministry revealed before the Budgetary Committee of the Lower House.

The amount included Y1,000,000,000 voted by the House on Tuesday to finance prosecution of the conflict during February and March.

Bond issues raised Y15,483,000,000 while Y1,849,000,000 were obtained from transfers to extraordinary military budgets from general and special accounts, besides Y4,500,000 contributed by the public.

It is expected that the extraordinary military budget for the next fiscal year beginning April 1 will be drawn up by the Government on February 1 for introduction to the Diet, in addition to the ordinary budget of Y8,863,000,000 submitted on January 21.

Meanwhile, the first bill to pass the 76th Diet was the supplementary extraordinary military expenditure budget for Y1,000,000,000 when the House of Peers unanimously passed it this morning, following detailed explanation by the Finance Minister, Mr. Iso Kawada, and the War Minister, Lieutenant-General Hideki Tojo.

The House of Representatives yesterday unanimously approved the bill which will finance the China campaign from January to March.—Domei.

Japan Faithful to Axis Partners

Tokyo, Jan. 29. The newspaper "Nichi Nichi," commenting editorially on the departure to Berlin today of Lieutenant-General Hiroshi Oshima, new Ambassador to Germany, said he should stress Japan's faithfulness to the Axis.

"We especially hope upon his arrival he will exert untiring efforts to make the Germans realize the Japanese people will be faithful to the treaty obligations despite whatever sacrifices they might suffer," the "Nichi" said.

"Anglo-American machinations daily are gaining strength to alienate Japan and Germany. The Japanese nation, however, firmly believes the strengthening of the tripartite military alliance is the only and surest way to the construction of a new world order."—United Press.

No Change of Chungking Attitude Foreseen

Tokyo, Feb. 1. Attaching importance to Foreign Minister Yosuke Matsuoka's statement last Thursday discussing prospects of a general Sino-Japanese peace, the "Asahi Shimbun" today editorially dismissed as "hopeless" any prospects of seeing the Chinese Government reconsidering its attitude as a result of a direct Japanese approach.

Admiral Mitsumasa Yonai, during his period as Premier last year, suggested that Chungking will be eventually disintegrated and absorbed by Nanking in a statement to the Diet, the newspaper recalled.

The "Asahi" pointed out that this was "just as much without a realistic basis."

However, the "Asahi" saw the possibility of securing general peace in China by the extension of power of the Nanking Government, which Japan now has recognized.

"The National Government at Nanking is not a puppet. It should be capable of securing popular support if it can give as good an administration as circumstance allow under present conditions of the conflict," the daily said.

The "Asahi" pointed out that in the event Nanking succeeds in lining up the Chinese people behind its efforts for general peace in China, it will become possible.

"When sentiment for peace becomes overwhelming as a result of the people's support, Chungking will be confronted for the first time with the situation under which she will have to make final decision," the "Asahi" asserted.—Domei.

End of British, U.S. Aid To China Seen

Tokyo, Jan. 29. Belief that Britain and America would cease supporting General Chiang Kai-shek when they realized the futility of anti-Japanese embargoes was expressed by the Foreign Minister, Mr. Yosuke Matsuoka, before the Budgetary Committee of the Lower House this afternoon in replying to an interpellation by Mr. Shinzo Imai, former independent.

Admitting that he realized how difficult it would be to secure American's abandonment of support to the Chiang Kai-shek regime "without turning it into an enemy," Mr. Matsuoka said that since assuming the Foreign Office portfolio on January 27, 1940, he had been "determined to convince the United States without abandoning hope."

"At the same time we must fight to the end against Chiang Kai-shek. We must demonstrate our determination to achieve the objectives of the China conflict. Further, we must show that Japan is not being weakened by embargoes. When they realize this, I believe that Britain and America will cease supporting Chiang Kai-shek."

Replying to further questions from Mr. Imai, the Foreign Minister admitted that negotiations with the Netherlands East Indies "were difficult." "There are indications that the Netherlands East Indies is seeking to avert a crisis," Mr. Matsuoka said, adding that Japan would continue to seek an amicable accord "to the very last moment."

"Japan must show its strong determination that it is prepared to overcome American interference," Mr. Matsuoka said in referring to Mr. Imai's interpellation regarding the possibility of American armed interference with the Japanese policy of southward expansion.—Domei.

Nanking Ambassador In Japan

Kobe, Feb. 2. Mr. Chu Min-i, the first Ambassador to Japan sent by the Nanking Government, arrived here this morning aboard the N.Y.K. liner Yawata Maru, accompanied by 20 members of his suite.

He will continue to Yokohama by the same ship tomorrow morning.—Reuter.

"Japan Chronicle" Sold To Japanese

Tokyo, Jan. 28. Under foreign management since its establishment 74 years ago, the "Japan Chronicle," British owned newspaper at Kobe, was bought by the "Japan Times and Advertiser," thus making Japan without any foreign owned newspapers.

The "Japan Chronicle" was founded in 1868 when it was published under the name "Hyogo News," and was renamed the "Japan Chronicle" in 1899.—Domei.

NEWS FROM JAPAN (continued)

Japan's Aims Not Understood

Foreign Minister States Japan Would Not Oppose Country Actuated by Same Ideals as Japan

Tokyo, Jan. 29.

EVEN some Japanese are not able to understand the significance of Japan's aims, declared Mr. Yosuke Matsuoka, Foreign Minister, admitting that some assumed Japan's leadership in the construction of a greater East Asian co-prosperity sphere signified the domination of East Asia by Japan in a role of conqueror "or that Japan was dreaming of a policy of conquest".

Foreign Pressmen

"Gagged"

Tokyo, Jan. 31.

A complete gag on foreign correspondents in Japan is seen through the anti-Fifth Column Bill introduced to the Diet yesterday by the Minister of Justice, Lieut-General Heisuke Yanagawa.

Besides declaring it illegal to make public or supply to foreign Powers information relating to diplomacy, finance, economy and other matters on which "secrecy should be maintained in the interests of national defence," the bill makes its stringent penalties applicable to certain crimes defined by the Army and Navy Penal Codes, the Law of Protection of Military Secrets, the Law for Protection of Secrets on Military Resources, and the National Mobilization Act.

Another feature of the bill is that it is applicable to crimes committed by all persons outside Japanese territory, they being held answerable for the crimes when coming under Japanese jurisdiction.

Article 8, especially would provide a blanket ban on any information "reflecting unfavourably" on Japan, with a punishment of up to 10 years imprisonment.

The revelation of national secrets to foreigners would be punishable by death under this new Bill.

The Foreign Office Spokesman, Mr. Ishii, this morning depicted himself as being most seriously affected should the law be enforced.—Reuter.

Warning Against Abuse

Tokyo, Jan. 31.

While welcoming the introduction in the Diet of the National Security Bill in the light of the development of Fifth Column technique in modern warfare, the influential "Asahi Shimbun" editorially warned against abuses of the proposed statutes under which "honest citizens shall be regarded as spies."

"We believe that before pitying the fate of the defeated nations, all of us feel admiration for the clever tactics of our German ally," declared the daily.

"It goes without saying that secret warfare consisting of espionage, propaganda and intrigue, forms an important phase of total national effort at the front, and at home, side by side with armed warfare," the editorial continued.

"It is only natural that vital secrets, not only of military matters, but relating to diplomacy, finance, economy and other national functions should be jealously guarded," declared the "Asahi."

The newspaper noted that since supreme national secrets were available only to high officials and those dealing with such vital matter, they should not have become available to foreign Powers in the past.

"It is undeniable that authorities should be more alert and careful in guarding secrets before demanding strict observance of the proposed statutes by the people," the editorial stated.—Domei.

Japan's Fleet Said Equal to Any Other

Tokyo, Jan. 26.

The Japanese Navy is always prepared to meet any eventuality, Admiral Koshiro Oikawa, Navy Minister, declared today in reply to Mr. Yoshimichi Kubo's interpellations during the plenary session of the Lower House's Budgetary Committee.

"Although I am unable to reveal details, I can definitely say that the Japanese Navy has been, and is being expanded, in view of the United States naval expansion programme Admiral Oikawa declared, adding that "in preparing for defence, the number of ships alone is not the decisive factor. The quality of the ships is another important factor. I can say with emphasis that the Japanese navy has the quality to meet any navy in the world."—Domei.

This declaration was made by the Foreign Minister in replying to a question by Mr. Matsutaro Hirakawa, former member of the now defunct Minseitō Party, during this afternoon's session of the Lower House Budgetary Committee at which Mr. Matsuoka launched a lengthy presentation of Japanese aims.

Mr. Matsuoka conceded that the word leadership had an unpleasant connotation but, remarked: "I believe that all the nations and all the races within the East Asian sphere should feel sympathy towards our efforts to enable the nations and the peoples of this sphere each to take its proper place."

Japan would not oppose any country or any race seeking to establish leadership over some part of the

India Embargoes Scrap Iron, Tin Shipments

Tokyo, Jan. 30.

The Osaka Shosen Kaisha today received word from Bombay that the Indian Government had announced an embargo on exports of scrap iron and tin, said a report from Osaka carried by Domei, official Japanese news agency.

The embargo is retroactive to cover contracts already signed, Domei said. Japanese circles are gravely watching developments, the message said.—United Press.

world in order to guide mankind if "it was actuated by the same ideal as our race," Mr. Matsuoka said.

"If the United States proposes to realize the same ideal, I suggest they should devote themselves to such a task in the Western Hemisphere," he added.

Mr. Matsuoka remarked that the question then arose of "the ability and qualifications of a country to bring its efforts to a realization aside from a question of endurance"—Reuter.

Soviet Diplomacy "Double-Bladed"

Tokyo, Jan. 29.

Present Soviet diplomacy is described as "double-bladed" by Mr. Katsujō Fuse, well-known journalist and an authority on the Soviet Union, in a speech made in Osaka and appearing in the "Japan Industrial Daily."

In order to precipitate a war between the United States and Japan, the critic says, "Soviet Russia is following a policy towards Japan that facilitates the latter's advance into the South Seas. But she does not, on the other hand, forget to threaten Japan at every available opportunity with gestures as though she would co-operate with America at the latter's invitation against a Japanese advance into the southern islands."

"The Japanese, however, need not be afraid of the Soviet Union. The reason is plain enough to see. For all its vast territorial area, for instance, the Soviet Union bears its weakest point in its political system."

It would be a great mistake nevertheless, the author concluded, to make light of the Soviets on that account. There are at least two things against which the Japanese must stand on guard in dealing with the Soviets: the activities of their fifth columnists and their "monster diplomacy."—Reuter.

O.S.K. Resume Shipping In Indian Ocean

Tokyo, Feb. 1.

Of the opinion that the areas west of Bombay and east of Suez are now safe for shipping, the Osaka Shosen Kaisha line has decided to resume issuance of bills of lading for cargoes to ports in those regions, including Aden, the "Osaka Mainichi" states.

The shipping concern based its decision to resume service to the areas mentioned on the fact that British merchant vessels have been active there of late.—Havas.

"Japan Times" Hits Tientsin Body

Tokyo, Jan. 29.

The Tientsin American Chamber of Commerce reply to Mr. Yosuke Matsuoka's declaration before the Japan-America Society at Tokyo on December 19 that "we shut the door nowhere and to none" evoked strong editorial comment in the "Japan Times and Advertiser," Tokyo's only English language newspaper.

"America cannot make any complaint about limitation of its imports into North China at the same time it dismisses complaints about self imposed embargoes on other sorts of goods like scrap iron to the same general regions," the "Advertiser" declared.

The daily pointed out that "much more stringent conditions have completely stopped American trade" in Europe.

In some instances, the United States voluntarily has withdrawn nationalities and their interests," the newspaper said.

"Extraordinary problems of various states required extraordinary measures, and need we direct attention to various prohibitions, suspensions, embargoes moral and immoral, imposed by the U.S. on import and export trade and financial operations?" the paper asked.

Many of these barriers have been erected when they need not have been installed at all, and are entirely unnecessary for the American national well being, the "Advertiser" declared.

Denying the restrictive measures imposed by the Japanese in North China were "deliberately designed to force Americans and other peoples out of the sphere in question," the daily pointed that "there is still a vast amount of commerce between China ports and America which the Tientsin Chamber of Commerce ignored in its brief."

The Tientsin American Chamber of Commerce charged discrimination against American firms and contended that Japan was seeking to drive out Americans from North China by use of barriers and monopolies, embargoes and restrictions, which left the "door open only for exit."—Domei.

Russia Ready to Talk With Japan

Tokyo, Jan. 30.

The Soviets have agreed to resume negotiations for the conclusion of a commercial agreement with Japan besides undertaking to discuss a permanent Soviet-Japanese fisheries agreement, it was revealed at a press conference today.

Questioned regarding the statement to the Diet recently by the Foreign Minister, Mr. Yosuke Matsuoka, that an agreement of views had been reached between Japan and the Soviet for the adjustment of relations, the spokesman replied that his understanding was that it concerned commercial matters.

The spokesman added that the Soviets had already appointed delegates for the fisheries negotiations.—Reuter.

Petrol Quota Further Reduced in Japan

Tokyo, Jan. 31.

The running of private cars in Japan has been rendered virtually impossible as a result of further restrictions on the use of petrol.

For the month of February, it is announced, only six gallons of petrol will be allotted for private cars.

Trucks of ordinary size are allowed 31 gallons for the entire month, medium-sized trucks 24 gallons, midsize trucks five gallons, hire cars 24 gallons and taxis 40 gallons.

March quotas are expected to be further curtailed—to one-third of the average monthly consumption in 1940.—Reuter.

Japanese Newspapers Support Hitler

Tokyo, Feb. 1.

Japanese newspapers today generally supported Chancellor Hitler's warning to America as perfectly justifiable self-defence against intensified U.S. aid to Britain.

The newspaper "Yomiuri" said the U.S. had been increasingly hostile towards Germany and Japan because they were obstacles in Europe and Asia, respectively, to America's conquering the world and taking advantage of the European and China wars.

"Although the American policy can never check our actions, we must once again urge American imperialists to reflect gravely and refrain from extending aid to Chungking and Britain for the sake of world peace."—United Press.

Hundreds Freeze To Death

Tokyo, Feb. 2.

The United States is pictured as a place where people by the hundreds freeze to death on the streets, where essential raw materials are scarce, and as a nation which would collapse during a war in the Pacific—in a recent newspaper article advising America to beware of antagonizing Japan.

Mr. Teiichi Muto, prolific commentator of the newspaper "Hochi" told his public:

"New York during midwinter is so cold that sometimes about 500 men are frozen to death in a day. Wool is the only protector. Granted its supply from Australia is cut off, death waits for Americans."

"No emphasis is necessary on tungsten and other important industrial materials the United States gets from abroad," Mr. Muto continued. "Why can't the United States understand the fact that a great world war, which that country seeks to wage, will mean a death sentence on itself?"

Asserting that the present American Government's attitude toward Japan is plunging the United States headlong into a war with this country, Muto said:

"U.S. Cannot Do It"

"Suppose war breaks out between the United States and Japan. That country can only depend on the Panama Canal, its overland railroads and motor roads. It must mobilize all of its strength and for this is concentrating on production of trucks. All rubber necessary for this is imported from the South Seas. How to maintain its marine transportation is a great problem. The United States cannot do it."

So far as the Far Eastern waters are concerned, the United States can avoid danger of collapse if it so wishes, according to Mr. Muto. He said:

Japan "Natural Aims"

"We tell Americans that Japan has no idea of monopolizing even the western Pacific, but that Japan only seeks natural resources necessary enough to maintain its national destiny. Japan is not so narrow-minded as to reject recognition of America's freedom of acquiring necessary materials, considering the fact that Japan, too, needs them."

"Narrow-mindedness and arbitrariness belong to Americans. If the United States is magnanimous enough to reconsider its attitude and intends to co-operate with Japan on agreement of fixing spheres of natural resources in the western Pacific, a Pacific tragedy, a misfortune for all humanity, can be avoided. An imminent danger is just ahead of us. It is just like a sword of Damocles hanging over the heads of Japan and the United States. It is our advice to the Americans."—United Press.

Huge Military Budget In Japan Approved

Tokyo, Feb. 1.

The Cabinet today approved Army and Navy extraordinary military expenditures estimates for the fiscal year 1941 totalling ¥4,880,000,000, which are scheduled for submission to the Diet after the Emperor's sanction is obtained.

The huge military budget would be financed by bonds to the extent of ¥3,997,000,000.

Including the recently passed ¥1,000,000,000 supplementary expenditures for February and March of the current year, the budget means extraordinary military expenditures since outbreak of the Sino-Japanese war. Until March, 1942, will total ¥22,335,000,000.

The Cabinet and the Lower House budget committee, meanwhile, unanimously and speedily approved the Administration's 1941 basic general accounts budget estimates totalling ¥6,863,000,000 in the original form submitted January 23, which assures House adoption on Sunday for an unprecedented Diet action regarding the annual budget.—United Press.

Matsuoka Says Right of Leadership is Japan's

Tokyo, Jan. 25.

In expressing the firm conviction that Japan was entitled to the right of leadership in the East Asian sphere of co-prosperity regardless of "whether other Powers recognize it or not," Mr. Yosuke Matsuoka, Foreign Minister, declared that Japan "could not tolerate" activities by other nations which were intended to block the extension of our influence to the South.

Mr. Matsuoka made this declaration in replying to the interpellation of Mr. Fukuichi Morita in the plenary session of the Lower House's Budgetary Committee.—Domei.

Japan Is Said to Be Fully Prepared

Tokyo, Feb. 1.

Japan hates war but is fully prepared for any developments which may arise from the United States' failure to understand Nippon. Admiral Nobumasa Suetsugu, former Home Minister and present chairman of the Co-operative Council of the Imperial Rule Assistance Association, declared today in a ten minute radio address to Japanese residents on the west coast of North America.

"Under Premier Prince Fumimaro Konoye's second Cabinet," the Admiral said, "the unity of the Japanese people has been reinforced regarding domestic as well as foreign problems, though at one time the reformist faction and circles favouring the status quo were at variance."

"Together with Germany and Italy," he added, "Japan has been assiduously engaged with them in building new orders in Europe and Asia."—Havas.

Rome Sees Singapore Threat

Rome, Feb. 2.

The "Popolo di Roma," editorially commenting on the French Indo-China-Thailand armistice, said yesterday Japanese arbitration was a prelude to military intervention in the Singapore zone.

The Fascist organ said the mediation was completely in line with Japan's part in the tripartite alliance and said Japan's domination of greater East Asia was now recognized.

"With this Japanese mediation comes the objective recognition of the dominant function of the Nipponese Empire through greater Asia, which is completely within the framework of the tripartite alliance," the "Popolo di Roma" stated.

"But this mediation and intervention by Japan is more than Platonic homage to the Axis theory of vital space and hemispheric influence. In reality, this precedes Japan's military intervention in the Singapore zone and probable encirclement of this naval base."—United Press.

Springboard to the South

Saigon, Feb. 2.

Japan plans to strengthen her position in southern Indo-China for the purpose of using it as a "springboard" for Japanese action directed against either the Netherlands East Indies or Singapore, a neutral diplomatic source told the United Press tonight.

This source said that although the outline of the plans was clear, he could not say whether they were to be directed principally against the British in Singapore or against the Netherlands East Indies.

(The Saigon censor here eliminated details of these plans.)

It was believed that the Japanese had already revealed to the French authorities, either in Tokyo or in Vichy, what their intention were. Full details of the Japanese plans would be revealed during the course of the peace negotiations to be held in Tokyo.—United Press.

Orientals Oppressed, Says Matsuoka

Tokyo, Feb. 1.

For the past one or two centuries orientals nations have been oppressed by European and American influences, Mr. Yosuke Matsuoka, Japanese Foreign Minister, told a gathering of oriental school children this afternoon, at a rally held in the public hall of Hibiya Park under the joint auspices of the Tokyo Municipality and the Board of Information.

The rally was attended by 250 children of Manchoukuo, Mongol Chinese and Thai nationality now studying in Japan, besides 3,000 Japanese school children and 30 students from the Girls Normal School in Peking who are visiting Tokyo.—Reuter.

U.S. Imperialists Asked To Stop Aiding Britain

Tokyo, Feb. 1.

Though American policy can never check Japanese or German actions, "we must once again urge American imperialists to reflect gravely and stop aiding Britain and China for the sake of world peace," declares the "Yomiuri Shimbun" in an article today.

The "Hochi Shimbun" states that it is "quite natural and justifiable for Germany to take such a firm attitude against the United States for the sake of self-protection, but it is clear from the experience of the last world war that such would easily induce America's entry into the European war. We see here imminent danger of the approaching world war, and it will be a real opportunity to test the value of the three-power alliance."—Reuter.

SHANGHAI NEWS

Special Ratepayers' Meeting

To Be Continued from Where It Left Off ;
Japanese Officials Call on Mr. W. J. Keswick

Shanghai, Jan. 30.

THE Special Meeting of Ratepayers, which was disrupted last Thursday when Mr. Y. Hayashi shot and wounded Mr. W. J. Keswick, Chairman of the Shanghai Municipal Council, Mr. I. Okamoto and Mr. K. Ikeda, Japanese Deputy Secretary of the S.M.C., will be held on Wednesday, February 5, according to an official S.M.C. communique issued yesterday.

The communique stated that Mr. Poul School, Chairman of the Special Meeting of Ratepayers, had given notice that the meeting, which stood adjourned on January 23, would reassemble in the Shanghai Race Club Public Stand, at 305 Bubbling Well Road, on Wednesday at 2.30 p.m.

It was believed that the meeting would be continued from where it was stopped by the shooting last Thursday. At that time, it may be recalled, the meeting not yet had voted for the 40 per cent. increase of taxes and licence fees, but had been asked to note on the Japanese motion for amendment.

Although it was reported that the Japanese Consul-General had promised that there would be no repetition of Thursday's fracas, the authorities concerned are taking no chances and special barbed wire barricades have been erected around the Council's platform. The Reserve Unit and Russian Auxiliary Detachment will stand by during the meeting.

Chairman Visited

Mr. Keswick, who left the Country Hospital on Saturday, was yesterday visited by representatives of the Japanese Residents' Corporation and Shanghai Japanese Ratepayers' Association. The party, including Mr. C. Fukuda, President of the Japanese Residents' Corporation, and Mr. A. Watanabe, Vice-President of the Japanese Residents' Corporation, called on Mr. Keswick at the Council Building yesterday morning to express their deep regret and sympathy in regard to the shooting at the Special Meeting of Ratepayers last Thursday.

Japanese ratepayers were to hold a meeting at the Nippon Club in Boone Road at 1 p.m. yesterday to decide their attitude toward the Special Meeting of Ratepayers.

It was stated that the attitude of the Japanese ratepayers toward the meeting, which is to be reconvened on Wednesday, would be decided when the standing committee of the Japanese Ratepayers' Association had met at the Nippon Club.

The fundamental policy of the Association was already reached at the meeting of the sub-committee on Tuesday, it was reported, and it was to be submitted at yesterday's meeting for general approval.

The new President or acting president of the Japanese Ratepayers' Association was to be formally appointed at yesterday's meeting. Although there will be no change in the attitude of the Association, a general meeting of Japanese ratepayers may be called. If such a meeting is found necessary at the meeting of the standing committee, it was reported, it was added that should such a meeting take place, the understanding of Japanese ratepayers regarding the delicate situation created by the shooting at the Race Club will be sought by the Association officials to attain complete unity among Japanese ratepayers.

Chinese Oppose Increases

It was also reported yesterday that the Chinese residents north of the Soochow Creek were against the proposed increase of taxes and licence fees. Basing their protest on the grounds that the Shanghai Municipal Council was not providing adequate police protection in the area, now under Japanese control, the reports said that the Chinese residents were forming a body to battle against the increase. It may be recalled here that the Chinese policemen of the S.M.C. are forbidden to carry firearms when on duty in the area, this being one of the agreements insisted upon by the Japanese authorities when they permitted the entry of Chinese constables into the area north of the Soochow Creek.

The first Special Meeting of Ratepayers, held at the Race Club last Thursday, was proceeding smoothly up to the time when Mr. Keswick read his reply to Mr. Hayashi's proposed amendment, which was followed by Mr. School's request to the ratepayers to vote by raising their hands. When the result showed that Mr. Hayashi's proposal had been rejected, it was met with loud protests on the part of Japanese ratepayers.

It was at that time that Mr. Hayashi was seen to mount the platform and speak a few words to Mr. Ikeda. Before anyone knew what was happening, the chairman of the Japanese Ratepayers' Association had

pulled out a small calibre pistol and shot at Mr. Keswick from the back. Another shot hit Mr. Okamoto in the hand, while a third one resulted in a minor wound sustained by Mr. Ikeda.

The would-be murderer was saved from being arrested by the Settlement Police by the Japanese, who lifted him on to their shoulders and carried him to their side of the stand.

Pandemonium reigned for twenty minutes as a crowd of Japanese flung scores of cardboard and other missiles at the platform and this resulted in several foreigners being injured. Quiet was restored as suddenly as the fracas had started less than twenty minutes after the shooting.

Japanese Stand at Meeting

Japanese Street Unions Pass Resolution That Japanese Attendance Unnecessary

Shanghai, Jan. 31.

UNCERTAINTY regarding the Japanese attitude at the forthcoming adjourned session of the special meeting of Ratepayers set for Wednesday next has been precipitated by the Federation of Amalgamated Japanese Street Unions, members of which have passed a resolution that attendance of Japanese ratepayers is unnecessary, as the Japanese are distinctly opposed to the proposed 40 per cent. surcharge on Municipal and Special Rates and Land Tax.

This opposition, according to a Japanese source yesterday, was clearly expressed by Mr. Y. Hayashi, Chairman of the Federation, who threw the meeting of January 23 into an uproar when he fired three shots, wounding Mr. W. J. Keswick, Chairman of the Council, a Japanese councillor and a Japanese employee of the Council. The Federation yesterday submitted its resolution to the standing committee of the Japanese Ratepayers Association assembled at an extraordinary meeting at the Japanese Club.

At the meeting held yesterday the standing committee of the Japanese Ratepayers Association here elected an acting president. It was learned that a general meeting of Japanese Ratepayers will be held soon to obtain a uniformity of opinion on the Japanese attitude to be adopted when the ratepayers of the Settlement reassemble next Wednesday at the Race Course to decide the fate of the Council's Resolution No. 11 calling for a 40 per cent. surcharge on Land Tax, Municipal and Special Rates and a general increase in licence fees. The attendance of one third of all eligible voters is imperative to form a quorum at the special meeting of ratepayers, it is understood, Japanese votes are estimated to total slightly less than half of the total votes.

Incident Re-enacted

An official communique issued by the Shanghai Municipal Council yesterday advised the issuance of new voting tickets, green in colour, which will be forwarded to Ratepayers on Monday, owing to the loss or misplacement of many of the voting tickets issued for the original meeting. No admittance will be allowed to holders of former tickets. Ratepayers who have not received their tickets by 2 p.m. on Tuesday next are asked to communicate with the Deputy-Treasurer-Revenue, 209 Kiang Road, 12810-Ex. 29.

Meanwhile the shooting of January 23, when it appeared that Mr. Hayashi's amendment calling for an abandonment of the Council's proposals was about to be defeated, has been re-enacted by Mr. Hayashi at the Race Course to which place he has been conducted by Mr. Kato, Japanese Juris-Consult; Mr. Ohwa, Acting Prosecutor; Mr. Nakajima, a member of the Consular staff and other officials.

A few days ago it was learned, leaders of the Japanese street unions met at the Japanese Club and signed an application for bail on behalf of Mr. Hayashi, who may have to face a charge of attempted murder, Japanese sources disclosed. The application has been despatched to Mr. Horuchi, Japanese Consul-General and Mr. Shiragami, officer in charge of the Japanese Consular Police. It

The wounded chairman of the S.M.C. was taken to Country Hospital, from where he went home on Saturday morning. Mr. Okamoto and Mr. Ikeda were conveyed to the Foo Ming Hospital. The latter returned to work on the following morning.

Attempted Murder Charge

Formal orders to detain Yukichi Hayashi on a charge of attempted murder were issued on Saturday in the name of Judge Skutaro Kato, of the Japanese Consular Court, the "Taikoku Shimpo," local Japanese vernacular paper reported yesterday.

Meanwhile the shooting incident which brought a sudden and spectacular end to the Special Meeting of Ratepayers last Thursday at the Shanghai Race Club was reconstructed before Japanese Consular Court officials by Mr. Hayashi, who shot and injured Mr. W. J. Keswick, Chairman of the Shanghai Municipal Council, and Mr. Issaku Okamoto, Japanese Councillor.

Accompanied by Prosecutor Omi and other Consular Court officials, Mr. Hayashi proceeded to the Race Course at 2.30 o'clock on Monday afternoon. The reconstruction of the shooting affray took 40 minutes. Japanese officers of the S.M.P. Central Office were present.

When interviewed by a correspondent of the "Taikoku Shimpo," Mr. Hayashi was reported to have said, "I have nothing to say except that I have done it and am now awaiting the consequences."

was also decided at the meeting to place the assistance of all Japanese lawyers here at the disposal of the accused. The application was taken to the Consulate by five representatives of leaders of Japanese Street Unions here.

Preliminary enquiries conducted by the local Japanese judicial authorities into the case are expected to be concluded in a few days. An elderly man, Mr. Hayashi according to a Japanese report yesterday will be officially prosecuted at an early date.

Decision Tomorrow

After more than four hours discussion the standing committee of the Japanese Ratepayers' Association which met at 1 o'clock yesterday afternoon at the Nippon Club, failed to reach a formal decision as to whether Japanese ratepayers would attend the Shanghai Ratepayers' Meeting set for February 5.

In order to reach a final decision of this question, the committee yesterday afternoon unanimously agreed to call a general meeting of Japanese ratepayers tomorrow.

The majority of committeemen, in attendance at the meeting yesterday however, were understood to be in favour of non-attendance of Japanese ratepayers at the meeting at the Shanghai Race Club next week. Should the Japanese ratepayers decide not to attend this meeting on February 5, the Association would send observers to the meeting, it is understood.

It will be recalled that the Federation of Amalgamated Japanese Street Unions, of which Mr. Yukichi Hayashi is president, passed a resolution on Wednesday afternoon to refrain from attending the Special Meeting of Ratepayers. Members of this Federation constitute a full 70 per cent. of Japanese ratepayers.

Japanese Boycott To S.M.C. Meeting

Shanghai, Feb. 2.

Japanese ratepayers will not attend the Special Meeting of Ratepayers which will reassemble at the Shanghai Race Club on Wednesday to vote on the proposed 40 per cent. increase in S.M.C. taxes and licence fees, it was formally decided at the general meeting of the Japanese Ratepayers' Association held at the Nippon Club yesterday afternoon.

Holding that the Japanese views regarding the proposed increase in municipal taxes and fees were fully explained at the last ratepayers' meeting on January 23, those in attendance at yesterday's Hongkew meeting unanimously supported a tentative agreement reached by the standing committee of the Association advising

Leniency Asked for Mr. Hayashi

Shanghai, Feb. 1.

A petition for leniency for Mr. Yukichi Hayashi now under preliminary examination on a charge of attempted murder will be presented to Japanese judicial authorities concerned by the Japanese Ratepayers' Association, it was decided by the Association's standing committee at its meeting on Thursday afternoon, according to Japanese reports.

The Federation appointed a four-man committee at Thursday's meeting to draft the petition.

They are Mr. Seigo Mimura, Vice President of the Federation of Amalgamated Japanese Street Unions, Mr. Gengo Yasui, President of the Shanghai Japanese Boy Scouts, Mr. Rokuo Edo, of the Mitsui Yoko, and Mr. Teizo Horiba, of the Shanghai Cotton Spinning and Weaving Co.

Question in Commons

London, Jan. 31.

The British Ambassador to Japan, Sir Robert Craigie, has made strong representations about the disorderly conduct of Japanese ratepayers in Shanghai and pressed for an early suitable punishment of Mr. Yukichi Hayashi, President of the Japanese Ratepayers' Association, who shot and wounded Mr. W. J. Keswick, Chairman of the Shanghai Municipal Council, on January 23.

This statement was made by Mr. R. A. Butler, Under-Secretary of State for Foreign Affairs, in the House of Commons yesterday, in reply to questions by Sir John Wardlaw-Milne, Conservative member for the Kidderminster division of Worcestershire, and Colonel Sir Robert Vaughan Gower, Conservative member for the Gillingham division of Rochestershire.

The Japanese Government, Mr. Butler revealed, had informed Sir Robert Craigie that Mr. Hayashi was being brought back to Japan for trial, and that everything would be done to prevent a recurrence of the incident, which was greatly regretted. "Meanwhile, I have nothing further to add in reply to the questions, I am glad to say that Mr. Keswick's wounds are not serious."

Co-operation with U.S.

Sir John Wardlaw-Milne's question suggested that the Government should inform Tokyo that the Japanese claim for further representation on the Council would not receive the support of the British Government.

Sir John also asked whether Mr. Butler could give an assurance that the British Government in all matters affecting relations with China and Japan was working in close co-operation with the United States Government.

Mr. Butler replied that as had been made clear on more than one occasion in the past the Government maintained contact with the United States Government in all matters of common interest, and that remained their policy.—Reuter.

K.D.S. Appeal Reaches Half Needed Total

Shanghai, Feb. 4.

The King's Daughters' Golden Jubilee Appeal has now entered on its fourth week, and so far half the amount aimed for has been obtained, the total to date being \$25,636.84.

The Society asks the Shanghai public to help to their utmost this effort to bring in a sufficient income to carry on the work during 1941.

The King's Daughters' Society looks after indigent foreigners of every nationality and has the especial care of those, who for one reason or another, have lost their claim to a foreign passport. These folk have nobody else to appeal to save the King's Daughters' Society and the Salvation Army.

During the month of January the Society has contributed to the support of 60 families of six nationalities and educated 27 children of five nationalities. Besides this, the District Nurse has visited 281 houses and has had 131 people attending at the Society's clinic.

At the First Special District Court, Lee Soong Ling of 320 Chemulpo Road was fined \$50 for operating a dairy in the Settlement without a licence.

The non-attendance of Japanese ratepayers at the forthcoming assembly, Japanese ratepayers are of the opinion that their attendance at the Ratepayers' Meeting will be meaningless since it will be merely continued from where it left off at the adjourned meeting.

Although the attendance of Japanese observers was not discussed at yesterday's meeting, such a step, it is understood, will be considered by the Association before Wednesday.

Hayashi Will Be Tried in Nagasaki

Shanghai, Feb. 1.

The preliminary investigation conducted by the local Japanese judicial authorities into the part taken by Mr. Y. Hayashi in the incident of January 23, during the special meeting of ratepayers held at the Race Course is expected to be concluded within the next ten days, a Japanese spokesman at the weekly press conferences disclosed yesterday. Mr. Hayashi he continued, has confessed to the shooting of Mr. W. J. Keswick, Chairman of the Shanghai Municipal Council, but the question to be decided is whether he was guilty of attempted murder. The examination is being held in camera the spokesman said, adding that a number of witnesses had been interrogated.

On January 25, the spokesman said, Mr. Hayashi was formally charged with attempted murder at the instance of the Japanese Consular police and his formal trial will be held in Nagasaki.

Commenting on the forthcoming session of the special meeting of ratepayers on Wednesday next the spokesman declared that although the Japanese views have been clearly defined, that there will be no question regarding their abridgement by the final decision on the matter of increased taxation.

Under the Japanese Criminal Code the spokesman explained, conviction on the capital charge carries with it a sentence of from three years to the supreme penalty while the penalty is reduced by half on a conviction for attempted murder. The investigation is being conducted by the judicial authorities he said, to ascertain whether Mr. Hayashi was guilty of attempted murder or wounding in view of his admission that he had fired a shot at Mr. Keswick.

Chinese Reporter Slain by Gunman

Shanghai, Feb. 4.

Terrorists struck again in the city yesterday morning when Mr. King Hwa-ting, a reporter of the "Shun Pao," an American-owned Chinese language newspaper, was shot and killed by an unidentified assassin in front of the Ambassador Ballroom in Avenue Edward VII at 4.30 a.m. Mr. King, who was leaving the ballroom in company of some friends, was hit by three shots, in the head, chest and abdomen. He died on the spot.

It is understood that the killer arrived outside the ballroom at about 1 a.m., standing near the doorway. The watchman, who became suspicious after a time, questioned him, the gunman answering that he was the bodyguard of a wealthy Chinese who was dancing inside. This apparently satisfied the watchman, who went back to his post. It is known that Mr. King always carried a pistol after the famous blacklist was published by Nanking, but he did not have time to use his gun before being killed.

The news of Mr. King's death was received in journalistic circles with deep regret as he was known to be an honest and friendly newspaperman. He was married and was the father of three children.

The deceased was one of the Chinese newspapermen blacklisted by the Nanking Government last summer and his home in Route Vallon was often visited by his antagonists, with the result that he had to take special precautions with regard to his movements.

Mr. King was 40 years of age and a native of Chekiang. He was noted for his talents in writing at an early age and after graduation from a middle school, went to a university in Peking.

Joined in 1926

He joined the "Shun Pao" staff in 1926, at the time when the Nationalist forces were on their revolutionary expedition to Peking. Mr. King went there together with the army as a reporter. His accuracy of reports was well-known and praised by everyone. He was also engaged in reporting the incidents of January 18 and August 13, braving all kinds of dangers and going to the front lines to gather war news.

The deceased leaves a widow and three children, the eldest of them being eleven years old. His body was removed to the Shanghai Funeral Directors.

Mr. King, it may be recalled, was the first "Shun Pao" employee to meet death directly at the hands of terrorists, although a printer was killed six months ago when the newspaper was bombed. That was on the first occasion that "Shun Pao" was bombed and nineteen persons, including a C.P.C. were injured.

SHANGHAI NEWS (continued)

Japanese Try Burn Pavilion

Efforts Frustrated by Sentries of Russian Detachment; Council to Deliver Protest

Shanghai, Feb. 4.

A SECOND attempt to force the Shanghai Municipal Council to abandon the Ratepayers' Special Meeting was made early yesterday morning when two Japanese crashed a Taylor taxi through the bamboo fence from the Race Course Road side of the Recreation grounds and raced toward the Ratepayers' Pavilion in an effort to set it on fire. Their attempts to do so, however, were frustrated by members of the S.M.P. Russian Auxiliary Detachment, who challenged the offenders and exchanged shots with them, putting the Japanese to flight.

Following the shooting at the Ratepayers' Meeting on January 23, when Messrs. W. J. Keswick, I. Okamoto and K. Ikeda were wounded by Mr. Y. Hayashi, the Russian Auxiliary Detachment received orders to detail two sentries to guard the match day and night. Two firemen and a police party were also in attendance there.

At about 2.30 a.m. yesterday, one of the Russian sentries noticed a car advancing without headlights and going approximately 25-30 miles per hour. The sentry, without suspecting the sinister aim of the occupants of the vehicle, tried to stop it by barring its way. The driver, however, opened the lights suddenly, blinding the sentry, and continued at the same speed.

Bottle at Matched

To avoid being hit, the Russian auxiliary jumped aside. The car brushed by and the sentry saw one of the occupants throw a bottle at the match. It caught fire immediately and the ex-soldier ran toward the pavilion, doing his utmost to extinguish the flames. The occupants of the vehicle, meanwhile, were spraying gasoline at the match.

The second sentry, detailed to guard the match at the other end, some two hundred yards away, also saw the approaching car. His attempt to stop it met with the same results as those of the first sentry.

The Japanese in the meantime were throwing matches at the match in an effort to set the pavilion on fire. The second Russian also rushed to stop the blaze and at that time, the Japanese car went up in flames.

Seeing their efforts wasted, as the small blaze was being extinguished by the quick action of the Russians, the Japanese reversed gear and attempted to ram the burning car into the pavilion. Here, too, they were unsuccessful as the vehicle smashed through the railing and stopped.

The two Japanese jumped out of the car, while the Russians rushed toward the vehicle and pushed it out on to the racing track. It was then that the Japanese fired two shots at one of the Russians, who retaliated by firing twice at the escaping scoundrels. Due to the darkness, his shots went astray. Helped by the darkness and the inability of the Russian sentries to pursue them, since they were busy in extinguishing the flames, the Japanese ran toward the Bubbling Well entrance and escaped.

Hour's Fire Extinguishing

Firemen from the Sinza fire station were called out to extinguish the burning car and it took them over an hour to do their job. Examined this morning, the vehicle presented a sorry sight, having been badly damaged. The woodwork and the upholstery of the car, as well as its motor, were destroyed.

According to investigations, the two Japanese hired the taxi from the Taylor Garage in Ezra Road. One of them was carrying a parcel. Inside the car, the passengers told the chauffeur to proceed to a gambling house in Avenue Haig. Reaching the den, the Japanese told the driver to go on. At the corner of Avenue Haig and Route Ferguson, the Japanese asked the driver to lend them the taxi.

When this was refused, one of them pulled out a pistol and ordered the driver to proceed to Great Western Road, where they forced the chauffeur to leave the car. One of them took the driver's place and the car proceeded to the Race Course, entering it by smashing the bamboo fence on the Race Course Road side of the Recreation Ground, half way between Mohawk and Yu Ya Ching Roads.

They then drove toward the pavilion, using the race track for the purpose. Coming behind the speakers' stand, the Japanese tossed a small bottle, with inflammable liquid and a burning fuse at the match.

Surprised by the Russians and their vehicle on fire, the Japanese left the car and dashed toward the Bubbling Well Road entrance. Once outside, they stopped another Taylor taxi and fired a shot into the air, although it could not be ascertained whether it was fired to intimidate the chauffeur or to deter any attempt of the Russian sentries to pursue them.

The chauffeur was then ordered to drive on to Yu Yuen Road. Arriving at the railroad crossing, the driver was told to stop. The Japanese jumped out and gave the chauffeur five yen for taking them there.

Driver Reports Case

The taxi driver went to the Bubbling Well police station and reported the case to the detectives. From his report, it was believed that the Japanese were connected with the Japanese forces as the chauffeur of the taxi saw them cross the railroad, approach a Japanese sentry and salute him. The two remained with the sentry for a little while and continued on their way.

The alertness of the Russian sentries was praised yesterday, since but for their fast action, the match would have been completely destroyed. Their disregard for danger since they were easy targets for the Japanese bullets was also lauded by the officials of the S.M.P.

Yesterday's attempt to burn the Ratepayers' pavilion was taken as an evident effort of the Japanese to prevent the adjourned meeting from taking place. The meeting, however, will be held tomorrow afternoon. Two platoons of the Russian Auxiliary Detachment will be detailed to guard the speakers' stand from behind, although no trouble is anticipated this time.

It was learned yesterday afternoon that the Shanghai Municipal Council was awaiting a full police report on the attempted arson. Representations to the Japanese authorities would be then made.

Chinese Accountant Kidnapped

Shanghai, Feb. 4.

Mystery surrounds the kidnapping of Mr. Lee Piau, also known as Morgan Lee, chief accountant of the American Trading Company, yesterday morning at 9.15, when he was forced into a waiting car outside Lane 452 Taku Road by five men, all believed to have been unarmed.

Mr. Lee has been with the American Trading Company for more than 30 years, having joined the firm in 1910. The car, in which the victim had been spirited away, could not be found yesterday. Bearing licence No. 4615, the car was found to belong to a Japanese, who, it was presumed, used the vehicle for hiring out.

The mystery was further deepened by the fact that Mr. Chang Wei-ling, as assistant of Mr. Lee and a book-keeper employed by the same firm, was missing from early morning yesterday. Mr. Chang, it was learned, left his home in the French Concession early in the morning and had not been heard of since. Whether he was kidnapped or not could not be ascertained, but detectives believed that such might have been the case. The most probable supposition was that he had been lured away by the same men who kidnapped Mr. Lee.

An interesting factor in the case is that the American Trading Company is the firm whose copper coins, ingots and copper bars were removed by Ely Widler from the Commercial Express godown.

An order for the arrest of Widler had been issued by the Swiss Consul-General, but the police were unable to effect his arrest because of the appearance of Japanese gendarmes, who defied Settlement officials.

Later, the police arrested Wilhelm Bender in his home in Park Lane in the Hongkew district on suspicion of having participated in the alleged theft of the copper, but he was released after being detained for about a fortnight.

Widler, on several occasions, confirmed the fact that he had removed the copper from the godown, but claimed that it had been confiscated by the Japanese authorities on the grounds that it was the property of the Chungking Government.

Mr. Lee was to have appeared as a witness in the civil case of the American Trading Company against the Commercial Express Company in the U.S. Court for China on February 11.



"N.C.D.N." Photos.

After the Attempted Arson of the Ratepayers' Pavilion

Japanese efforts to burn the Ratepayers' pavilion at the Race Course were frustrated by the timely action of the Russian Auxiliary Detachment sentries, who exchanged shots with Japanese. Upper photo shows the taxi, commandeered by the Japanese to do the job. The vehicle caught fire and the Japanese made their last attempt to put the match on fire by ramming the car backwards into the pavilion. The woodwork, upholstery and motor of the car were destroyed. The lower photo depicts the part of the Race Course fence smashed by the car when the Japanese crashed through it and raced toward the pavilion.

Terrorists Bomb Chinese Court

Mystery Shrouds Strange Attacks on Tribunal Maintaining Allegiance to Chungking

Shanghai, Feb. 4.

AFTER a respite of several months terrorists again conducted their sinister activities in various parts of the city yesterday and following an abortive attempt to set ablaze the site of the ratepayers' meeting to be held tomorrow at the Race Course hurled a number of bombs of the potato masher type at the First Special District Court in Weihaiwei Road and its criminal branch in North Chekiang Road. The missiles were described as being of the nuisance type, indicating that the bombers whose identities are unknown to the police, were bent on striking terror rather than being on a mission of destruction.

The attempts to bomb the courts were preperated almost simultaneously, strengthening the belief that they are the work of the same band whose members were able to work uninterruptedly under cover of the darkness, the outrages taking place between 4.30 to 5 a.m. in the morning. Owing to the earliness of the hour and the absence of court officials, the damage done was negligible, the bombs, which in both instances were thrown from a car, landing in the court compounds causing some damage to two motor cars.

Two out of four bombs thrown into the compound of the civil division of the court on Weihaiwei Road exploded and loud explosions awakened a number of people living in the neighbourhood. The office of the secretary of the court and a car belonging to Mr. Fifton, a member of the Shanghai Volunteer Corps, sustained slight damage.

Extensive enquiries made by the police after the outrage disclosed that the missiles were thrown by unknown persons from a car hired from a Hongkew garage bearing Municipal licence No. 1774 which had been commandeered by three Chinese. The chauffeur was forced to negotiate the vicinity of the court slowly while the other occupants hurled the missiles into the court compound. The car was then driven to Jessfield Road where the occupants alighted and made their escape.

The driver of the car reported the incident to the Bubbling Well Police Station.

North Chekiang Road Bombing

Three bombs were tossed by two occupants of a hire car from Tsepoo Road into the compound of the criminal division of the court on North Chekiang Road in the west Hongkew district. Only one of the bombs exploded, causing only slight damage to a motorcar, belonging to a member of the Shanghai Volunteer Corps guarding the court. A tyre of the car was punctured.

Mystery shrouds the motive for the bombings as in both cases the bomb tossers escaped under cover of the darkness. It will be recalled that there was considerable agitation some time ago for the rendition of the court to the new Nanking regime, this being one of the few outstanding vexed questions which had remained unsettled between the Settlement authorities and the new regime.

The agitation was revived to some extent recently when the second Special District Court and the Kiangsu High Court in the French Concession were rendered to the Nanking regime whose officials unobsequiously took over leaving the two Chinese courts in the Settlement to flourish with other last outposts of the Chungking Government here.

Mayor Fetes Local Rice Officials

Shanghai, Feb. 2.

Mayor Chen Kung-po of the Municipality of Greater Shanghai was host at a luncheon at the Cathay Hotel on Thursday to a number of officials of the Shanghai Municipal Council's Food Supplies Sub-Committee including Sir R. Calder Marshall, and Mr. C. C. O'Connell. The gathering was of an informal nature and it is believed, there was an exchange of views regarding the local rice situation.

Meanwhile the local rice situation has taken a decided turn for the better despite the uncertainties regarding the value of the local Chinese dollar. Stocks of the cereal are ample for immediate needs and requirements of the next few months. On Friday local stocks in the Settlement were 577,000 zhs including native and imported rice with prices ranging from \$95 to \$104 for domestic rice and \$80 to \$84.50 for Saigon rice showing a decrease of previous quotations.

The outlook is optimistic with abundant stocks due to arrive in the near future. It is understood that the Settlement authorities have not yet received any definite reply from the Japanese military authorities here concerning the Council's appeal made indirectly some time ago for domestic rice to come here without let or hindrance. It was ascertained at the time that only the free and uninterrupted flow into Shanghai of domestic rice and its sale at normal prices will provide a permanent and adequate solution to the rice problem affecting Chinese population (3,500,000) of the International Settlement apart from the total Chinese residents in the French Concession.

PROPERTY to the value of \$500 was taken away by a gang of five robbers who entered a Chinese dwelling at 107/35 Yulu Road at 5 a.m. yesterday. One of the desperadoes was armed with a pistol, with which he intimidated the occupants while the others made a thorough search of the premises.

Only £2,275 Raised for V.W.F.

Contributions So Far Fall Considerably Short Of Required Total of £10,000 by February 15

Shanghai, Feb. 3.

THIS month's total for the Voluntary War Contribution Fund is only £2,275 so far, so that there is a long way to go before the £10,000 mark is reached, this being the amount remitted to England for each of the five previous months following the initial remittance of £52,000 in August.

In previous months the remittance has always been made by the fifteenth of the month, and this month's list should be closed by February 15. It is emphasized that although an extra effort may be required of Britons in China to reach the £10,000 level, this should be forthcoming.

The First Lord of the Admiralty, in a recent speech, said that the British Empire is approaching the greatest hour in its history, and that Britain's destiny is at stake. There can be no doubt that the utmost effort is required from all Britons, and in China the best way of making contributions to the War Fund. The very warm terms in which the donations so far have been acknowledged from Home show how much they are appreciated.

Donations should be sent to the Hongkong & Shanghai Bank, or to the Chartered Bank for account of the Voluntary War Contribution Fund. Statistics are appended:—

DOLLAR ACCOUNT	
Subscriptions received since last list	\$37,713
Transferred to sterling since last list	\$57,713
Nil	

STERLING ACCOUNT	
Balance brought forward	£10,531
Subscriptions received since last list	926
Transferred from \$ a/c since last list	817
£12,275	
Less remittance to H.M. Treasury	£10,000
£ 2,275	

CHINESE DONORS

R.S.R.	50	A. P. Mohlhead	34
In memory of Capt. Cecil Smart	25	Mr/Mrs. R. Frost	25
Paper Co. Van Reekum (S'hai)	50	Rev. Forbes Tocher	30
John Mannen & Co. (S'hai), Ltd.	50	R. E. Bridges	20
Y. Miyaki	20	E. K. Traynor	25
A. T. Stubbs	50	D. J. Traynor	25
J. M. C.	20	Erzinger & Co.	100
M. H. B.	50	J. Kearns	25
W. B. Gomersall	50	H. B. Gomersall	25
In memory of John Tooley-Lucy	10	Harold	10
Xmas Gift, Gordon/Margaret	10	Mr. V. M. Hill	300
Miss E. B. Wither	10	Chungking Remittance	270
Precious Metals	10	War Efforts Sub-Committee	55
G. S. Pratt	101	Anonymous	55
E. A. P. Wood	294	Miss Rice	14
G. M. Cove	30	Mr. J. M. Pearson	90
Mr. H. H. Middleton	116	Mr. H. H. Middleton	116
Mr. Martin Little	29	Mr. L. Pemberton	14
Miss B. Cassidy	14	Major Ronald Scott, Royal Scots	74
Deceased	74	Mr/Mrs. John S. Barr	2
Miss K. Fenton	2		
R. A. Jones	350		
Miss C. McFarlane	30		
In memory of Michael Keane	10		
Mrs. Gregory McLorn, Sybil	10		
George	20		
Mr/Mrs. H. Ellis	20		
In memory of Miss A. Finkelstein	30		
Miss S. Falkine	10		
Mr/Mrs. A. M. Azar	10		
A Friend	10		
Mrs. O. A. Miss Christensen	10		
S. G.	50	P. P. Archipoff	25
A. V. P. Dean	500	Tobacco	1,000
Mr/Mrs. H. A. White	1,000		
Proceeds of "The Puppet Show"	21		
Mr/Mrs. W. J. Lang	20		
Old Eve Junior Mess	10		
In memory of Mrs. James Neill	10		
Elsie/Mason	10		
In memory of Kenneth Todd	10		
H. Brownrigg	15	D. G. Jones	5
R. Molr	15	C. A. Mason	10
F. V. Collison	15	J. A. Tullock	10
H. Willough	15	Betty White	10
W. Fowler	10	W. F. Taylor	10
E. C. Watson	10	J. W. Tullock	10
C. E. A. Cooke	10	J. Macdougall	5
F. O. Gues	10		
Mr/Mrs. J. E. P. Blenkinsop and Gordon	10		
V. I. Ovisianoff	10		
Chinese Detectives, Central	14		
I. Kyoung C. Yen	10		
Mrs. Mabel Dearn	10		
Thos Cook	70	C. M. Keenan	100
Anonymous	50	P. Marthoud	100
Anonymous	10	P. J. S.	50
Civil Faulkner	50		
Burkhill Trusts Ltd.	1,000		
Mr/Mrs. J. S. Orr	300		
Mr/Mrs. Sydney J. James	300		
G.I.M.-L.A.C.W.A. a bet	100		
Mr/Mrs. H. O. White	1,000		
Balance of proceeds from Inter-Club (S.R.C.-L.R.C.) New Year Charity Race Meeting (Total \$50,000)	10,000		
In memory of J. M. W. Secor-R.A.F.	250		
R. J. T.	10		
Rev. F. W. Weaver	270		
Roland E. Nash	10	W. G. Cook	10
G. R. B.	30	P. A. Emery	100
K. C. K.	30	J. A. Emery	100
Anonymous	200	A. H. Merillies	150
W. T. B.	100	Fiddler Push	170
H. & M.	100	Lysborg	500

Central British War Fund (Shanghai)

Balance brought forward\$1,640,889

MONTHLY SUBSCRIPTIONS	
Foreign Members of the Local Staff of Union Insurance Society of Canton, Ltd.	41
Cook/Mr/Mrs.W.G.	10
Harper/Mr/Mrs.J.F.	10
Buckley/Mr/Mrs.T.A.	10
Roche/R.W.	10
Freitwell/V.V.V.	30
DONATIONS	
Dublin Dainties	85
A few of the American Members of the Staff of Yee Toong Tobacco Distributors, Ltd. & its Associated Companies	4,300
Shanghai Golf Club	129
British Residents' Association	903
Waste Paper Sub-Committee	497
A few members of the Mercantile Marine Officers' Club	70
Proceeds of Sweep in the Cathay Bar	159
Anne—one sovereign	10
Percentage of Gaoi Raffle for Pigs	64
Stierlecker/Mr/Mrs.John Sassoon & Co., Ltd.—David	50
Winner of 2 tons of coal	120
Scandinavian Party—for the Police Club at Home 28/12/40	200
Proceeds of sale of one bottle of Whiskey	1,033
David/Mr/Mrs.John	20
Proceeds of a collection made at a private film showing to members of the American Legion held on 22/1/41 at the American Club	217
His Miss Mary	10
Shanghai Kedah Plantations Ltd.	4,000
J. S. Archipoff/P.P.	10
Bryan/L.R.H.	10
Davey/Mrs.T.	20
Anon	50
Best Ban	75
Bel's S.	10
Nyl/Mrs.F.	50
Kench/O.C.	70
Hunnes/C.E.	250
Anon	100
IN MEMORY OF H. LATHAM	
Foreign Staff at Yangtzepoo Cotton Mill	80
IN MEMORY OF CAPT. CECIL SMART	
Roche/Mr/Mrs.J.P. and family	5
Jardine, Matheson & Co. Ltd. Shanghai & Hongkong Wharf Co., Ltd.	100
Anderson Clayton & Co.	100
East	25
Gardner/Mr/Mrs.O.D. and Allan Rozario/Miss G.	20
Lu/T.S.	20
Keswick/W.J.	50
IN MEMORY OF MISS JEAN SHIELDS	
Davey/Mrs.G.S.	25
Public School for Girls, Yu Yuen Road	10
IN MEMORY OF MISS ANNIE FINKELSTEIN	
Clifford & Stella Flook	25
Zwick/Mr/Mrs.S.	25
Pratt/Mr/Mrs.C.A.	50
Burgoyne/Mrs.A.M. and Daphne Lily/Kay/Darryl	20
Simmings/Mr/Mrs.Mae and Flannery	10
Val & Mae	10
IN MEMORY OF KENNETH YOON	
Audrey, Bernie, Auntie/Unice	100
Boddy	25
Mason/Mr/Mrs.J. and Ruth	15
Teller/Mr/Mrs.A.	25
Knatty Knitters' Club	25
Kaunes/Mr/Mrs.C.C.	30
Chamberlain/Mr/Mrs.A.H.	30
Elliston/Mrs.E.S.	5
McCabe/Mr/Mrs.Jas.	10
Gibson/Mr/Mrs.J.Y.	20
Hillhouse/Mr/Mrs.E.G.	20
Teller/Mr/Mrs.E.G.	20
Knatty Knitters' Club	50
Teller/Gordon	5
A.H.S.	100
Al & Ruth	50
Loultin/Wm.	100
William R.	10
IN MEMORY OF MICHAEL KEANE	
Austin/Mr/Mrs.P.J.	1
IN MEMORY OF MRS. BESSIE NEIL	
Carter/Mr/Mrs.H.W.	50
IN MEMORY OF JAMES WINNING	
C.B.	10
IN MEMORY OF MRS. T. C. AVERY	
Cook/Mr/Mrs.W.G.	20
AUSSIES WELL DONE AND THANK YOU	
Sparko/C.E.	40
\$1,660,195	
Balance brought forward	£23,153
MONTHLY SUBSCRIPTIONS	
Anon	2
Nanking Fund	25
DONATIONS	
Rasmussen/Mrs.A.	1
£23,186	

Irate C.G.O.C. Fitters Attack Watchman

Shanghai, Feb. 4.

A near-riot occurred at the China General Omnibus Company park in Nankai Road shortly after 4 p.m. yesterday when a crowd of fitters attacked a Chinese watchman. The arrival of the police, however, put an end to it.

According to an eye-witness, the fracas started when the fitters became angered at the watchman's action in reporting two of their number, found in possession of certain stolen articles, to the management. The two were arrested by the police.

A third man was also implicated in the theft, it appears, and when the watchman threatened to report him, the fitters got angry and attacked him. Apparently a few minor bruises, the watchman was unhurt.



Mr. J. W. Carney

Mr. Carney Sailing for America This Week

Shanghai, Feb. 2.

Mr. J. W. Carney, vice-Chairman of the S. M. C., and a member of the Council at times for many years, is retiring from the Standard Vacuum Oil Company this week, and returning to America to take up residence. Mr. Carney has been in China for nearly 30 years, first coming out here for the Standard Oil Company in August, 1911. After spending some time in Shanghai he went into the interior for six years, being stationed in various parts of Chekiang.

After this period up country he returned to Shanghai, and has been here ever since apart from a number of long leaves. He first became a member of the Shanghai Municipal Council in 1930, and has been a member five times since then, becoming vice-chairman after the last elections.

When interviewed by the "North-China Daily News" yesterday, Mr. Carney stated that he had not definitely decided exactly where he would reside in his retirement, but added that it would be somewhere along the Atlantic seaboard.

Mr. Carney has always been a popular and active member of the American community here, being widely known for his hospitality and good-fellowship, and it will be with regret that Shanghaians learn of his departure.

No Celebrations of Roosevelt's Birthday

Shanghai, Jan. 30.

President F. D. Roosevelt's 58th birthday today will not be officially celebrated locally, although it is expected that there will be numerous private gatherings to mark the occasion. The President of the United States was born on January 30, 1882, at Hyde Park, New York. He attended Harvard University, and Columbia Law School, practising as a lawyer for many years.

Mr. Roosevelt was a member of the New York Senate from 1910 to 1913, when he resigned to become Assistant Secretary for the U.S. Navy. In 1929 he was elected Governor of New York, remaining in this post until 1933, when he first became President of the United States.

He was the Democrat nominee for President in 1932, taking office in January 1933. He was re-elected in 1937, and again for the celebrated third term in 1940.

In 1905 the President married Anna Eleanor Roosevelt, having five children. Mrs. Curtis Dall, James, Elliott, Franklin D., and John A. Roosevelt.

Observation of the President's birthday in America usually takes the form of dinner parties all over the country, the proceeds going to charity.

French Doyen Returns

Shanghai, Feb. 2.

His Excellency M. Henri Cosme, the French Ambassador to China returned to Shanghai from Chungking and southern ports late yesterday afternoon and was greeted at the Quai de France by a number of French consular and other officials and prominent members of the local French community here.

The doyen has been away for more than a month, his visit to Chungking being made after an absence from the capital of the National Government for a long period.

Col. Hornby Feted At Police Club

Shanghai, Feb. 1.

Major K. M. Bourne and officers of the Shanghai Municipal Police were hosts at a dinner party given in honour of Colonel J. W. Hornby, the retiring Commandant of the Shanghai Volunteer Corps, at the Police Club yesterday evening.

Among those present were Major G. H. Mann, who is to replace Colonel Hornby as S.V.C. Commandant, Major H. S. Barley, Captain J. Moffat, Messrs. Powell, G. E. Mitchell, G. G. Phillips, Captain R. V. Dewar-Durrie, Major S. R. Hunt, Lt.-Comdr. C. S. Sheppard, Pay-Comdr. J. H. Kennedy, Major S. D. Ivanoff, Captain H. M. Smyth, Deputy Commissioners H. D. M. Robertson, T. Robertson, E. C. Baker, C. Akagi; Mr. W. C. Grant, Governor of Road Gaoi; Mr. H. E. Aiers, Assistant Commissioners J. Bennett, P. C. Liang, V. Sharman, A. H. Samson, W. J. MacDermott, H. R. Grubb, I. Kakegawa; Assistant Governor of Gaoi C. Y. Yen, Deputy Governor of Gaoi Y. G. Westwood, Mr. R. G. MacDonald, Deputy Commissioner of Special Police, and Assistant Commissioners W. J. Gande and C. C. Tao of Special Police.

Colonel Hornby, who came to this city in December 1937 to take over the Shanghai Volunteer Corps from Colonel F. R. W. Graham, is expected to leave Shanghai about the middle of the month. It is believed that he will proceed to Hongkong where he will await further orders as to his destination.

His place as Commandant will be taken by Major Mann, an experienced Volunteer Corps officer, who was transferred to the S.V.C. Headquarters exactly a year ago today. Prior to his appointment to the S.V.C. Major Mann was with the engineering staff of the Municipal Public Works Department.

Major Mann's promotion to Lieutenant Colonel is effective from today. The future S.V.C. Commandant first joined the Shanghai Volunteer Corps in 1923 and gradually rose to the rank of Captain in 1929 when he was appointed officer commanding "A" Co. He resigned the following year, but rejoined "A" Company as a private in 1931, was again granted a commission and transferred to Group Headquarters' Staff in 1932.

He was promoted Major in 1935 and appointed Second-in-Command of "A" Battalion, later commanding it during Major E. S. Barclay's leave of absence. In November 1939 he went to "B" Reserve of Officers and remained there until seconded from the Public Works Department to S.V.C. Staff last year.

Armed Robbers Still On Holiday

Shanghai, Feb. 1.

Chinese armed robbers, it seems, were still on holiday yesterday. For more than twelve hours no crimes were reported to the Settlement police stations. The first armed robbery of the day was staged at 5 a.m. and resulted in theft of \$500. From then on and up to 5.40 p.m. the International Settlement was quiet.

At 5.40 p.m. a gang of three robbers entered 206 Coughton Road where one of the trio whipped out a pistol and attempted to intimidate the three persons who were on the premises. One of the latter, however, raised an alarm. The robbers took to their heels and the armed man jumped out of a window, but was caught by one of the inmates and disarmed.

The detained man was handed over to the police, with his pistol and thirteen rounds of ammunition. In their haste to escape, the robbers failed to take a single thing from the house.

Reported Shooting in Western District

Shanghai, Jan. 31.

A member of the City Government Police was wounded in the leg at about 2 p.m. on Monday when a shooting affray occurred at 818 Yu Yuen Road, near the Hwa Loh gambling den. According to Chinese reports, Yang Kang-lin, was cleaning his pistol when it accidentally went off, wounding Chen Lin in the leg.

Other Chinese sources, however, stated that several members of the Chinese police were celebrating Chinese New Year at the given address, which is used as a training depot of the City Government Police. The reports continued that a quarrel had arisen between two of the policemen. This led to a fight in which several shots were exchanged.

No confirmation of these reports could be obtained, as the shooting occurred in the extra-territorial district, there being no report made to the Settlement police.

SHANGHAI NEWS (continued)

Western Area Police Accord

Gambling Dens and Illegitimate Business Must Cease; Galaxy of Officials Attend Ceremony

Shanghai, Feb. 2.

THE Western Area Police Agreement, an accord aimed at the restoration of order out of chaos in the most troublesome area in Shanghai was signed at 10 a.m. yesterday at the Kiangwan Civic Centre by Mr. W. J. Keswick, Chairman of the Shanghai Municipal Council, and Mayor Chen Kung-po of the Shanghai Municipal Government.

A comprehensive and detailed document for the immediate establishment of a police force in the territory concerned, the agreement was concluded after long-drawn-out negotiations between the authorities of the Settlement and the Shanghai Municipal Government.

Among those present were Mr. G. Godfrey Phillips, Secretary and Commissioner-General of the Council; Maj. K. M. Bourne, Commissioner of the Shanghai Municipal Police; and Mr. H. Ibusuki, Japanese Deputy-Secretary of the Council who arrived with Mr. Keswick; Mr. R. T. Bryan, Jun., Municipal Advocate, and Mr. T. Deesley, Publicity Officer of the Council who were earlier arrivals; General Loo Ying, Police Commissioner of the Shanghai Municipal Government; Mr. Kimpson Yu, secretary of the mayor who arrived with the mayoral party, and other Chinese officials.

Short Ceremony

Mayor Chen sat at one desk and Mr. Keswick at another when the texts of the agreement were signed after which the party adjourned to an adjoining room where champagne was served to the guests. The entire ceremony lasted about 20 minutes.

Following the conclusion of a *modus vivendi* in February, 1940, outlining the principles governing the establishment of a special police force for the area exchanges of views were made between Major Bourne and General Loo Ying whose final agreement was recently approved by a Council majority. Under the regulations for the formation of the new force its members will wear a hat badge with distinctive characters denoting "Special Police."

Texts of the portentous document, which sounds a death knell to all gambling establishments in Shanghai's notorious western area, in English and Chinese and incorporate regulations for the establishment of a special police force to exercise vigilance over the area which will be divided into five police divisions and which provides for a maximum personnel of 1,446 men (193 will be seconded from the Municipal Police) with an additional reserve of twelve including the officers recommended by the Municipal Council. The area concerned is adjacent to the Settlement and French Concession and the entire territory which was formerly under the jurisdiction of the West Shanghai Division and a section of the district under the jurisdiction of the Zikawei police division and includes the districts now guarded by the Shanghai Foreign Defence Forces.

Illicit Business to Cease

A special annex to the agreement prohibits the conduct of all illegitimate business in the area such as gambling dens, resorts for smoking opium and narcotics. The haunts of vice which have flourished in the district will be ordered to cease operating as soon as the new police force begins functioning. Attempts to resume operations later it was stated, shall be strictly suppressed.

Provision is made for the appointment of a Chinese commissioner and a European deputy commissioner to be nominated by the Council. Cases involving foreign nationals will be handled under instructions of the deputy commissioner. In case of doubt regarding the handling of any case and where opposite views are held by the commissioner and deputy commissioner, reference will be made in writing to the Commissioner of Police of the Shanghai Municipal Government and the Commissioner of the Shanghai Municipal Police for decision failing which reference of the case will be made to the Mayor and the Chairman of the Municipal Council.

Personnel Nominated by S.M.C.

Under the agreement the personnel nominated by the Municipal Council will include in addition to the deputy commissioner in the Foreign Affairs Branch a European officer in charge and 27 junior officers including seventeen Westerners, nine Japanese, a Japanese deputy in charge and a Chinese and a foreign junior officer in the General Affairs Branch; a Japanese and a Western junior officers in the Administration Branch; a Japanese deputy in charge and two officers, one Japanese and one Westerner in the Special Branch; a for-

sign deputy in charge and a Chinese and one Japanese junior officers in the Supervising Branch. In the five police divisions the Council will nominate two officers in charge and three deputies and in addition will nominate 23 sub-inspectors, sixteen sergeants and 110 Chinese constables. Cases involving foreign nationals with extrality rights will be handled according to the national law concerned and in all other cases Chinese law will be applicable. The terms of service of the men nominated by the Council will be the same as Council employees.

An appendix to the principal agreement provides for close co-operation between the new police force and the Municipal police and makes provision for "hot" pursuit from one area to another in following serious crime.

Provision for a Reserve Unit

Provision also is made for establishment of a reserve unit with a complement of 78 men and five officers, a unit which will operate under the orders of the commissioner and the direction of a deputy commissioner. When ordered to operate it will invariably be placed under the direction of the officer in charge of the division concerned. The branches of the new force will consist of Police Affairs Branch, Executive Branch, Special Branch, Foreign Affairs Branch, Crime Branch, Supervising Branch and the Secretarial Office. The strength of the force will not be changed without the agreement of the Municipal Government and the Shanghai Municipal Council.

Apart from the five police divisions there will be established a number of stations and sub-stations. The Divisional branches are as follows:

1st Division—Soochow Creek on the North, Settlement Boundary on the east, Jessfield Road (exclusive) on the south, Brennan Piece (exclusive) on the west.
2nd Division—Jessfield Road (inclusive) on the north, Settlement boundary on the east, Avenue Haig on the south, Edinburgh Road (inclusive) on the west.
3rd Division—Soochow Creek on the east, Yu Yuen Road (exclusive) on the south, Railway (exclusive) on the west.
4th Division—Yu Yuen Road (inclusive) on the north, Edinburgh Road (exclusive) on the east, Great Western Road (inclusive) on the south, Avenue Haig (inclusive) on the east, Hungjiao (inclusive) on the south, Railway (exclusive) on the west.

The area to the west of the railway line was not discussed owing to the general unsettled situation.

Closer Police Co-operation

After dealing with the functions of the respective branches and its per-



"N.C.D.N." Photo.

Western Area Police Agreement Signed

A champagne toast followed the signing of the agreement in an adjoining room at the Kiangwan Civic Centre on the morning of Feb. 1. A galaxy of officials attended the ceremony which lasted about twenty minutes. Seated left to right are: Mr. W. J. Keswick, Chairman, Shanghai Municipal Council; Mayor Chen Kung-po of the Shanghai Municipal Government; and Mr. G. Godfrey Phillips, Secretary and Commissioner-General, Shanghai Municipal Council. The accord was concluded in a friendly atmosphere and its conclusion was marked by a brief ceremony although the negotiations were long-drawn-out, lasting more than a year.

sonnel the agreement provides for the exchange of assistance when requested and required between the new police force and the Municipal Police each force to have a liaison officer with three assistants to cope with exchange of intelligence, to conduct co-ordinated searches and extradition of suspects and assist in the satisfactory solution of diplomatic cases.

A number of the staff of the new force under the agreement, and officers in charge of divisions where a majority of residents are foreigners owning factories, shops and property in the area, if deemed necessary, will be appointed from candidates recommended by the Municipal Council. No police officer or clerk previously dismissed or resigned from the Municipal Police for improper conduct will be eligible for employment in the new force. This applies also to persons previously convicted of a criminal offence or who have been dismissed from the French police, also the Shanghai Municipal Police will not employ men discharged in future from the new force. Chinese shall be the official language of the new force to be used on all its official documents.

Incorporated in the agreement are three appendices and the special annex dealing with the suppression of illegitimate business in the district within the jurisdiction of the new force. The first appendix provides for closer co-operation between the new force and the Settlement police as follows:

Principles of Co-operation

As it is essential in the public interest, states Appendix I, that criminals who commit crimes in one area do not obtain safety in an adjacent area, it is suggested the following general provisions be agreed upon:

Any person committing a crime in the Western area, who runs or escapes

into the Settlement or vice versa, and is closely pursued and arrested, will be taken to the nearest Police Station of the area in which the arrest is made for record only, and will be handed over direct and at once, while the Police concerned will be held in no way to blame for crossing the boundary.

Any person found in the Settlement in possession of property stolen from the Western Special Area, or vice versa, will be handed over to the Police Force controlling the area in which the property was stolen at once, as soon as particulars have been recorded at the appropriate Police Station.

In the investigation of crime, when it is found by members of the Western Shanghai Area Special Police Force that confederates of a criminal gang are living or hiding in the area under the jurisdiction of the Municipal Police, the Police Station concerned will give immediate cooperation to the officers in charge of such cases to effect the arrests of such criminals.

In the case of the following crimes, such persons when arrested will be handed over direct at once if there is reasonable suspicion that a true case exists:—armed kidnapping; abduction; armed robbery; robbery; threatening letters; intimidation; murder or attempted murder.

Persons committing crimes in the Western Area shall be handed over direct to the Shanghai District Court to be dealt with according to law.

The direct handling over of suspects in less serious crimes will be ruled by the public interest, and in accordance with the evidence available.

In carrying out the above, much will depend on goodwill and a sincere desire to combine against the criminal element and every effort must be made to follow the spirit as well as the letter of the understanding, while any attempt to misuse those provisions for cooperation can only result in a state of affairs harmful to the public whom it is our duty to protect.

Relations of Officers

The second appendix outlines the functions of and deals with the relations between the commissioner and deputy commissioner of the new force. The third appendix provides for the establishment of a Reserve Unit to suppress riots, disturbances and labour troubles. The personnel of the unit consists of an officer-in-charge, a deputy officer, three officers in charge of squads, two clerks, nine sergeants and 62 constables totalling 78 men. When called out to quell a disturbance members of the unit will be accompanied by foreign and Japanese members of its foreign affairs branch.

The duties of the unit will include its operation in emergency cases, maintenance of order on any locality where trouble breaks out, arrest of robbers and hand-to-hand search of pedestrians and reinforcement of police beats. The unit will carry batons, rifles and will be trained in riot drill and its transport will be equipped with axes and crowbars for breaking doors.

The unit will operate under the orders of the commissioner and direction of the deputy commissioner but

Police Agreement Satisfactory

Shanghai, Feb. 3.

With a satisfactory solution to the Western Area policing problem having been reached, with formal signatures to a detailed agreement signed by Mr. Chen Kung-po, Mayor of the Shanghai Municipal Government, and Mr. W. J. Keswick, Chairman of the Shanghai Municipal Council, there are bright prospects for an end to all arguments over this long-standing issue, political observers declared to Domei yesterday.

These circles recalled that not only the police question but other, even more important matters, relating to this area of Shanghai, which were aggravating problems during the days of the former National Government, under General Chiang Kai-shek, are likely to be solved soon to the satisfaction of all parties concerned.

These same problems and policies towards the International Settlement and French Concession of Shanghai were under negotiation in 1937 when the Sino-Japanese hostilities broke out, but had to be abandoned by the Chiang Kai-shek Government which withdrew to Chungking.

Strong Japanese Backing

Strongly backed by the Japanese authorities, the reconstructed Shanghai Special Municipal Government again launched negotiations for a solution with the Shanghai Municipal Council.

However, three years were to elapse during which negotiations were in progress during which time high tension frequently prevailed and numerous incidents occurred.

With the outbreak of the European War, these well-informed circles declared to Domei, the attitude of the Shanghai Municipal Council suddenly became conciliatory and which led to opening of talks between the late Mayor Fu Siao-an and Mr. C. S. Franklin, former Chairman of the Shanghai Municipal Council, through the good offices of Mr. Yoshiaki Miura, former Japanese Consul-General, and Comdr. Luigi Neyrone, former Italian Consul-General.

Both parties last February reached a *modus vivendi* agreement leading up to the present formal accord through Mr. Chen Kung-po.

General administrative questions including the right of levying taxes and rates are still in a negotiatory stage, however, and no complete understanding has been reached on these issues.

An emergency ambulance was called out to the corner of Gordon and Markham Roads at 10.20 a.m. yesterday to take a Chinese male to Shou Ming Hospital. The man had fallen from a staircase and sustained laceration of scalp.

When despatched to divisions to assist in its functions, will be placed under the direction of the officer in charge of the division concerned.



"N.C.D.N." Photo.

Police Agreement Signed

Mr. W. J. Keswick, the S.M.C. Chairman signing the agreement providing for the establishment of a special police force for Shanghai's famed western area with a special annex calling for a suspension of operations of all illegitimate business in the area including gambling dens and opium-smoking establishments. Mr. R. T. Bryan, Jun., Municipal Advocate, is seen standing to the left of Mr. Keswick.

St. Patrick's Society Meeting

Mr. W. G. Clarke Elected President for Third Year; Satisfactory Year for Society

Shanghai, Feb. 1.

THE Annual General Meeting of St. Patrick's Society was held yesterday in the Board Room of Messrs. Jardine Matheson, many members of the organization being present. Mr. W. G. Clarke was elected President of the Society for the coming year, this being his third year in this capacity. In reading his report Mr. Clarke summed up the activities of the Society throughout 1940, stating that the year had been satisfactory, although some of its functions had been curtailed by the war.

Officers for 1941 were elected, the committee being as follows, Mr. W. G. Clarke, (President) Mr. A. J. H. Carey (Vice-President) Mr. E. F. Hardman, (Hon. Treasurer) Messrs. P. T. Carey, D. J. Collins, P. A. Corbett, E. Heenan, W. J. Macdonald, T. Murphy, R. E. O'Boyle, C. C. O'Connell, B. K. Wallace, J. F. Brister and C. Reeves. It was then decided to celebrate St. Patrick's Day in the same way as last year. It was also decided to increase the life membership fee from \$60 to \$120, effective from February 28.

Mr. W. G. Clarke's address follows: "Before proceeding with the business noted on the Agenda, I would ask you to rise as a mark of respect to the following members who passed away during the year—Dr. W. R. Johnston, J. J. Dunn, James Barton, H. A. Keane.

"A year ago you were kind enough to do me the honour of electing me as President of the Society for the second year in succession. I thanked you then, and again thank you for this honour. I shall now give you an account of the year's activities on behalf of the Committee. As you will see from the notes accompanying the statement of accounts, no official celebration of March 17, was held, due to conditions of which you are well aware. Ceremonies however, were held at the war memorial and the cemetery, where wreaths were laid. A telegram expressing the loyalty of members was despatched to His Majesty the King, and telegrams of greetings were exchanged between our Sister Societies in various outposts and also those Irish Regiments which had been in Shanghai.

Appeal for Charity

"Instead of our annual ball, a special appeal was made for members to subscribe to our charity funds. This resulted in the collection of \$3,270 out of which the sum of \$2,000 was earmarked as the nucleus of a new scholarship fund, and \$1,270 as donations to our relief account. Regarding these collections you may wish to make some observations when the resolution to adopt the accounts is proposed.

"I am pleased to be able to tell you that all deserving Charity cases have been carefully attended to and satisfactorily dealt with by your Committee.

"In the course of the year we had our annual golf match against St. David's Society and won after very keen competition. It is rumoured, that in order to try and defeat St. Patrick's team this year, the members of St. David's Society have engaged the services of a special coach. Our thanks are due to Messrs. Corbett, Hardman and others, for making necessary arrangements and selecting our team. I should like to mention that when times and conditions become easier, it is hoped to arrange inter-society competitions in both indoor and outdoor games, in fulfilment of challenges made by the several Presidents at meetings we had in the course of the year.

"Your President and Committee had the honour of entertaining at luncheons, Mr. A. H. George, H.B.M. Consul General, and the Presidents of other National Societies and also representatives of the Dominions and Colonies, including India.

Joint Telegram

"In May last, the Presidents of all National Societies in Shanghai and Chairman of various other British organizations joined together in a telegram, despatched to the Prime Minister, the Right Honourable Winston Churchill, wishing him success in his office and containing their assurance that his leadership would be characterized by energy and resolution to defeat the enemy. A letter by the same organizations was also sent to the French Consul General in Shanghai, expressing faith in the destiny of France. I am sure you will all agree that this faith has since been further strengthened by the admirable achievements of the Free French forces in the several war areas in which they are now engaged.

"During the year the British regiments left Shanghai and we were accorded, with other societies, an opportunity of contributing towards small farewell gifts to the troops.

Had it been possible, we would have done much more to show how greatly we appreciated their services here. "As you will see from the notes before you, there are now 131 members of the Society, including 48 life members, but many of them are absent from Shanghai; 17 members joined during the past year, while the names of 26 have now left Shanghai for good and have been reluctantly erased from the membership roll. I am pleased to say however, that in the last few days, we have more proposals for membership. I would again earnestly request all members in Shanghai to make every endeavour further to increase the membership of the Society, by searching out fishermen and bringing them forward.

"Leaving us shortly are two of our very old members, one of whom is a past Vice-President, I refer to Messrs. Perpin and Carney. We greatly appreciate their services to the Society and wish them God speed and long life in their retirement. I do not propose to delay you long, but wish to point out that our Committee have considered certain alterations to our rules are necessary. These rules refer to the duties of the President and Life Membership fees and will be placed before you in the course of the evening."

War-Fund Contributions

Before proposing the resolution for the adoption of the Society's accounts, I have a special request to make to all members here, this evening and that is, to ask every one of you to become a member of the British Residents' Association. As your representative, I attend the meetings held by this Association and I can assure you that everything possible is being done to safeguard your interests. It is therefore your duty to support the Association in every possible way. I would also ask you all not only to continue your contributions to the various war funds now open in Shanghai, but, to try your best to increase them. As you will have seen from the papers, this year in which the British Empire is engaged, is costing the sum of thirteen million pounds a day, and it is up to us therefore, to support these war funds in every way we can. Many I know have been and are still investing in War Bonds and Savings Certificates at home. Let us all unite and determine to continue to do our very utmost in spite of the hard times we are experiencing.

"Having now completed my second year of office, I wish to again express my sincere thanks to all members of the Committee for their cooperation, invaluable assistance and advice, without which it would have been impossible for me to carry on. Special thanks are also due our Vice-President and Hon. Secretary, Mr. A. J. H. Carey, for the excellent work performed by him until his departure on leave. Unfortunately he is not with us today and on inquiry at his office this morning I was informed they had no news about him or date of his return. Following his departure, the duties of Hon. Secretary were undertaken by Mr. Wolfe Junior, who also left to join up and is now doing his bit for the British Empire. His work was of a very high order and appreciation of his services was expressed in a letter I wrote him on the eve of his departure."

"I should like to mention, that immediately following the dastardly attempt at the recent ratepayer's meeting on the life of Mr. W. J. Keswick, the head of Jardines and Chairman of the Council, I conveyed to him our best wishes for a speedy recovery and received a very nice acknowledgement from him. I am sure I am voicing our feelings of you all in this morning's pleasure we are at his recovery and return to office, and ready for the next ratepayer's meeting on 5th February.

"The Police report for the week ending February 1, showed a decrease of 173 minor criminal cases, the total being 239. Armed robberies showed an unprecedented decrease of fifteen cases, while all the other cases were shown in reduced numbers. But if the reported cases were on the decrease, so were the arrests effected by the Settlement Police, there being only 219 persons detained as compared to 525 during the previous week. Of this number, police, identified 59 as old offenders.



Lieutenant-Colonel Paul Thiebaut

French Military Attaché in Japan on a visit to Shanghai.

China Squadron For R.A.F.

London, Jan. 30.

A "British China Squadron" of R.A.F. Hurricane fighters is being formed as a result of the contribution of £102,000 from British communities in China, announces the Ministry of Aircraft Production today.

After it has been ascertained what emblem the community requires the squadron to carry, and whether it wishes each plane to be named after some prominent personality or place, the procedure for the Air Ministry is to name a new or existing squadron in appropriate detail.

Pilots who hail from British communities in China or who are closely connected with them, may be posted to the squadron if they desire in order further to cement the bond of British communities in China with their own air fighting unit.

This latest squadron to arise as a result of the phenomenal outpourings of money from British and other communities abroad for more R.A.F. fighters and bombers will join the exclusive list of similar squadrons already in the front line, such as the Burma, Hyderabad and East India fighter squadrons, which will shortly be augmented by squadrons named from both British and Netherlands East Indies, and on the African continent, Basutoland and the Gold Coast.

The necessary token totals for a squadron of fighters or bombers are £100,000 and £300,000 respectively. Over £9,000,000 has been contributed from all parts of the world for new R.A.F. warplanes individually and in squadrons in eight months since June last.—Reuter.

Young Russian Dies In Car Accident

Shanghai, Jan. 30.

Driving at terrific speed, Constantin Arieff, a 23-year old member of the Russian Auxiliary Detachment of the French Police, lost control of the wheel of his car while going along Avenue Edward VII at 12.10 a.m. yesterday and zigzagged toward the Bund, hitting several obstacles before the car came to a stop at the corner of Avenue Edward VII and Shantung Road. Picked up by the Settlement police, the unfortunate man presented an unpleasant sight as his head was completely smashed. An S.P.B. emergency ambulance was called out and Arieff was taken to the General Hospital, where he was pronounced dead on admission.

Although there were no witnesses to the accident, it was presumed that Arieff, who was driving a friend's car, had lost control of the wheel and swerved to the northern side of Avenue Edward VII, smashing a concrete post of a bus stop. The post was found about fifty yards away. The vehicle did not stop there and continued on its way to destruction, grazing a stationary motor truck.

It was not known whether Arieff had lost consciousness in the first collision, but the car was without control. Still going, it crashed into a Shanghai Power Company pole, but this failed to stop it. The vehicle continued to zig-zag and uprooted a tree on the Settlement side of Avenue Edward VII, coming to a stop on the pavement.

Arieff was removed from the car and taken to the hospital, and then to the mortuary. A post-mortem, conducted at the hospital, failed to show any signs of alcohol in the victim's body.

Value of Dollar Shows Decrease

Shanghai, Feb. 1.

The purchasing power of the dollar has shown a further decrease, according to a survey made by the Shanghai Municipal Council. The provisional cost of living of foreign employees for January showed an increase of 6.53 per cent. over December 1940, while the value of the dollar was reduced by 47.91 per cent. as against 44.51 in December.

The increase was the heaviest in the case of Russians, whose general index rose by 11.45 points to 194.69. Next were other nationalities with

China Irishmen Express Loyalty to Britain

Shanghai, Feb. 2.

The following telegram has been sent by the Irish communities in Shanghai, Tientsin and Hankow to Mr. Winston Churchill, British Prime Minister:

"In this hour of danger the Irish communities of Shanghai, Tientsin and Hankow are anxious it should be known that their loyalty to the ideals for which His Majesty's Government is now fighting is staunch and steadfast and that their one regret is that they are unable to share the heavy burden of danger and anxiety which those in Great Britain are now enduring."

193.88 points. Rentals rose further in January and accommodation registered increases from 4.10 to 14.88 per cent. over November. Municipal rates in the French Concession were increased from 22 to 30 per cent. in January.

Apart from tomatoes and carrots, a marked rise in prices of foodstuffs was registered during the month, some of them showing an increase of twenty per cent. Of the 34 items in clothing and materials groups, all but crepe de chine showed a tendency to increase in cost.

Due to the mild weather, demand for coal this winter has not been active, but Hongkong cabbies have nevertheless risen by 3.85 per cent. In the miscellaneous group, increases included those of the tram fares in the International Settlement, tram and bus fares in the French Concession, and admission fees in cinema houses.

Among the Chinese, living costs registered 3.02 per cent. over December 1940, the purchasing power of the dollar dropping from 17.25 in that month to 16.75 cents in January.

Despite a change for the better in the rice situation and the fact that imported rice continued to arrive in large quantities, a general rise in prices was recorded. Flour prices rose by 16.16 per cent. as compared with December, while salted pork, eggs, soya bean oil, consumed, at festival time, also showed a tendency to increase in price. Prices of vegetables, on the other hand, fell markedly.

Of the 58 items included in the Chinese index, 37 items have shown further rises as compared with the previous month, fifteen have shown drops, and only six remained the same.

Luxurious Gaming Den Raided

Shanghai, Feb. 2.

Smashing their way through to eradicate vice from the International Settlement, detectives from the Shanghai Municipal Police Headquarters yesterday raided and closed a luxurious gambling and opium den when they descended upon the premises above the Silver Palace at 982 Avenue Foch at 3 p.m.

By far the biggest undertaking by the police, the raid resulted in seizure of a large amount of gambling paraphernalia, including tables, roulette, drums for bingo, dice shakers, chips and dice. Several scores of chairs were also taken by the detectives, who employed several vans to remove the devices.

These, however, were not all, for the detectives also confiscated a large number of cigars, cigarettes, cash boxes, application forms for membership, account books, bottles of wines. Uniforms for female and male dice shaking attendants were also found and taken.

The raid, which lasted well up to 6 p.m., resulted in the closure of not only a gambling den, but of an opium establishment as well. The premises of this vice den, which was operated by a foreign syndicate on commercial lines, consisted of six rooms, four of which were used as playing rooms, while the other two, luxuriously furnished, served for opium smokers. Complete opium paraphernalia, including three elaborate ebony pipes, mounted with silver; cups with prepared opium and opium lamps were found by the detectives in these rooms.

The bar of the den was also visited by the detectives and there they found account books, which, it is believed, will throw further light on the affair. Glasses, soap and towels, a "dah hsioh" cloth and gambling devices in construction, the latter found in a small room behind the bar, were also taken away.

Eight Persons Held

Taken completely unawares, eight persons were taken into custody by the police and their questioning, it was believed, would result in implication of others. Whether any foreigners had been taken remained unconfirmed last night.

The den had been under observation for some time and it was known that gambling on a small scale was being conducted there. The police raid of yesterday, however, revealed that the operators were making preparations to act on a larger scale. This was presumed from the large paraphernalia seized.

It was said yesterday that the raided den was by far the most luxurious closed by the police in the past 1½ months. Its furniture, gambling devices, uniforms and silver-mounted opium pipes, said it was said, compare favourably with those of the dens in the extra-territorial roads, at the same time surpassing all those seized by the police in the Settlement raids.

Yesterday's raid, the sixth since December 26, was said to bring the eradication of vice from the Settlement a step nearer to realization. Starting with the one in Bubbling Well Road, when a Portuguese was arrested by the Police, the closures included dens in Gordon Road, Avenue Haig, Denis Apartments, and Burlington Hotel. In addition to these, detectives of the Narcotics Section of the Shanghai Municipal Police, raided and arrested two persons in Hwakes Avenue, where \$30,000 worth of raw opium and heroin were seized.

Chinese Banker Killed By Terrorist

Shanghai, Jan. 31.

Another murder, believed to have been inspired by politics, was committed at about 9 a.m. yesterday when an unidentified Chinese gunman shot and killed Ki Ming-dah, the 37-year old manager of the Wei Nyeu Native Bank.

The victim left his home at House 7 Lane 174 Rue Kraetzer shortly before nine o'clock and was preparing to enter his car to go to the office of the bank, which is at 94 Ningpo Road, when the gunman appeared and fired two shots, both hitting the mark. The banker collapsed, being hit twice in the head.

The assassin made good his escape before the arrival of the French Police, who called out an emergency ambulance to convey the victim to St. Marie's Hospital, where he was pronounced dead on admission.

The deceased was known to sympathize with the Nanking Government and was said to be a supporter of the Central Reserve Bank.

SHANGHAI NEWS (continued)

Salvation Army Launch Appeal

Valuable Work Among Poor in Shanghai Described
By Brigadier Morris; \$175,000 Wanted

Shanghai, Jan. 31.

BRIGADIER B. Morris presented the Diamond Jubilee Report of the Salvation Army at the Rotary Club's weekly tiffin yesterday. He summed up the activities of the army during 1940, which was a particularly hard year for the needy, outlining the valuable charitable work performed in Shanghai. Mr. G. W. Boissevain, President of the Rotary Club, called on the Brigadier to speak, saying that he was so well known to the gathering that further introduction would be unnecessary. The tiffin marked the opening of the Salvation Army's annual appeal for funds. This year \$175,000 are asked for, with which to carry on charitable activities, \$38,000 having already been pledged. Donations should be sent to the Salvation Army Headquarters, Sassoon Arcade, 40 Nanking Road.

"During the year under review. The Salvation Army has reached its Diamond Jubilee" said Brigadier Morris. "The Salvation Army is a mission of the poor to the poor, to the desolated and forgotten masses, and amid the indescribable miseries of the underworld, a helping hand is extended to all in need. Seventy-five years ago William Booth commenced his crusade against poverty, vice and crime, consumed with a passion to uplift the poor and neglected masses in the great City of London. He stood all alone, and it is remarkable how the movement spread throughout the British Isles and overseas until today it embraces the whole world.

Its music attracts millions every week, and its gospel of spiritual and social uplift has changed the lives of thousands in every country. The flag of the Salvation Army flies in 97 countries and colonies. Never once has the Salvation Army halted in its onward march. In the seventy-fifth year of its existence it refuses to slow down and—unless its activities are forcibly closed down—it marches on. Its humanitarian activities are ever increasing, more people are looking to us for a way out than ever before. Governments. Municipalities, Social organizations all welcome our active co-operation in the grave problems which confront them."

Work at Dunkirk

The speaker continued by describing the work of the Army during the present war, mentioning the truest form of charity or helpfulness," continued Brigadier Morris, "is to correct the cause for the need of the crutch, and be able to walk without."

"There are one hundred and seventy-seven families here who look to the Salvation Army for their subsistence. They are assisted monthly with groceries, bread, rent and medical fees where necessary. They are given an order on a local supply store—there is no parading of charity. During the year under review \$47,500 was spent on the above grocery orders alone. We want you to realize that it was your gift plus the Salvation Army that has made so much possible; it has helped us to give assistance to those in dire need, to feed the hungry, clothe the naked, salvage human derelicts and restore hope, faith and courage which, during these feverish days in which we are living, is no mean accomplishment. The above 177 families represent a total of 664 souls, all non-Chinese.

"I need not tell you, that the need for the Salvation Army is greater than ever. Then, quite apart from the 177 families, we have helped 250 single men and women; some we have helped out of Shanghai, others in various ways. Their plight is most pitiful. Many of them have been in better circumstances in the past. Today they are penniless. Have you ever stopped to think what it must be like to be without a cent, no certain abode, no employment, friendless and wandering about from day to day. One such came into our office some time ago and said "For God's sake give me something to do." I feel sorry for the man who has held a good position in life and has slipped. No words of tongue or pen can describe the feeling of the man who knows he is slipping."

Foreign Men's Hostel

Over \$60,000 were spent from the Regional Social Centre last year, added the speaker. In mentioning the Foreign Men's Hostel he stated that the cost of upkeep for this last year was \$26,000, the hostel being full the year round. The other Foreign Men's Shelter, on Muirhead Road, was only occupied after it became necessary to vacate the old Amoy Road Shelter, and has cost the Army several thousands of dollars.

The Discharged Prisoners' Aid Department, too, has been particularly active during the past year, according to the Brigadier, nearly \$10,000 being spent on this branch of the Army's Work.

In speaking of the assistance to Rickshaw coolies in Shanghai, he said, "In addition to the regular work carried on by the Rickshaw Mission, this year, during the hottest months, tea carts were dispatched daily to all sections of the city. Hundreds of thousands of cups of boiling tea have been distributed gratis to rickshaw pullers. This hot tea is not only a comfort to the men but it also prevents the spread of disease as there is no need for the men to drink impure water.

"The Dispensary at the Rickshaw Mission Hut on Amoy Road, where a much appreciated work is carried on, has an average attendance of thirty people daily."

Repatriation Work

Hundreds of Chinese were repatriated after the disbandment of the Refugee Camps, when many were left without means of livelihood. Others were "rehabilitated", being given small sums of money in order to set up in some trade, and support themselves thus.

A most important branch of the work of the Army, mentioned next by the speaker, has been the free distribution of rice to the needy.

"With the closing down of the Refugee Camps many of the Refugees returned to Nantao, Hongkew and Chapei but found life very hard and precarious," he said. "The distribution of rice was one way of helping them. This method has proved to be the least expensive as practically all the money donated was spent on direct relief. Tickets were distributed to the people in their homes and each ticket enabled the recipient to secure from a shop 5 catties of rice. This method of relief is still being carried on from four centres and any friend wishing to support this work may do so by mentioning the same when contributing to the Annual Appeal. \$22,100.00 has been spent on this work from the amount donated to the Appeal last year."

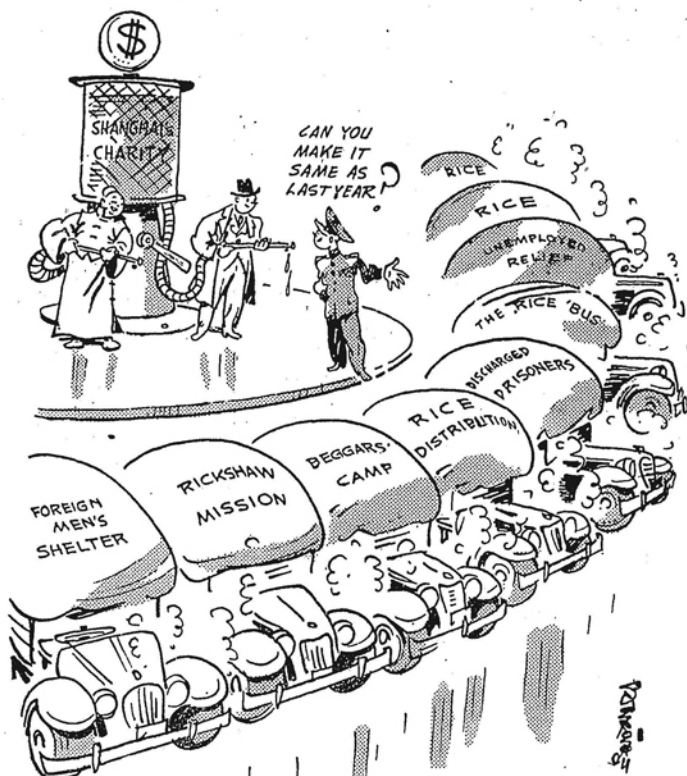
In dealing with the question of the Refugee Camps the speaker said that "The Salvation Army has, under the auspices of the International Relief Committee and the Shanghai Relief Association, managed the largest camps in the city. These two organizations have worked in close collaboration with the Army and have provided the funds for the maintenance of the camps. Since the outbreak of hostilities 68,100 refugees have entered these camps and never once did this vast army of refugees go without a meal. Thirty-seven and a half million meals were prepared and distributed."

The Rice Bus

Brigadier Morris went on to describe the activities of the Rice Bus, which tours the city taking hot rice and vegetables to those compelled to spend the night on the streets. Eventually it was found that the distribution was best made from one centre. Chinese coming from miles around to receive a share in the food. Altogether \$70,000 were spent on this service.

In conclusion the speaker told of the success of the new Beggar Camp. During the first month of operation 1,200 beggars were received at the camp, and after undergoing certain examinations were placed in huts. Rehabilitation work is proceeding very well in the camp, many of the inmates being taught useful trades, so that when they leave the camp they will be able to fend for themselves. It is hoped that this camp will rid Shanghai of one of its greatest social problems.

OWING to shortage of domestic flour necessitating the use of more expensive imported flour, together with higher cost of labour, an application from the bakeries for permission to increase the cost of family bread from 50 cents to 56 cents per pound, has been approved by the 70 Councils on the understanding that the price will be readjusted if and when conditions improve.



BY SAPAJO

The Fuel for Salvation

U.S. Marines Have No Knowledge of Incident

Shanghai, Jan. 30.

Japanese reports that the United States Marines here refused to allow two Japanese teachers of the Central China Telecommunication School to cross into the International Settlement at the Wuchen Road Bridge on Tuesday morning were commented upon by Marine officials, who said that they had not been informed of the incident, yesterday.

According to a report published by the "Taichu Shinpo" yesterday morning, the two teachers, in company with three other teachers, were riding in a car. At the Wuchen Road Bridge, they were stopped by two American sentries and subjected to a thorough-going examination. The two teachers were in khaki "national uniform," similar to the colour of Japanese army uniforms.

Despite explanations by the Japanese that the national uniform was civilian attire, the American Marines refused their entry into the Settlement, the paper reported. The three other teachers were searched also.

The report further stated that the Japanese had asked the Marine sentries to make an enquiry at Marine Headquarters, but that the latter had also refused to permit Japanese in national uniforms to cross the bridge.

The Japanese paper finished its report by stating that Japanese Consul-General might protest to the American Marines, but so far the Marine Headquarters had received no representations.

Quiet Anniversary Of 1932 Conflict

Shanghai, Jan. 29.

The anniversary of the Sino-Japanese conflict in Shanghai, the hostilities of 1932, passed quietly yesterday as the Settlement and French Concession police forces strengthened their precautionary measures to keep law and order in the foreign areas.

The Settlement Police, including the newly-transferred Russian Auxiliary Detachment, had reinforced foot patrols in the streets, while all side roads leading to Avenue Edward XII were barricaded to allow police to carry out more thorough searches of suspicious-looking persons and vehicles.

The measures taken by the Shanghai Municipal and French police forces were felt yesterday as no armed crimes had been reported to any of the Settlement and French Concession stations in the day.

Contrary to the steps taken in previous years, the Shanghai Volunteer Corps was not ordered to stand by, as no terroristic activities had been anticipated by the local authorities.

"Popular Cults In China"

Shanghai, Jan. 31.

A highly interesting lecture on "Popular Cults in China" was given to the Royal Asiatic Society by Professor Clarence B. Day yesterday evening, his address being illustrated by a number of excellent lantern slides. Mr. A. H. George, J.E. M. Consul-General, who was to have taken the chair, was unable to be present due to a slight indisposition.

Professor Day introduced his talk as follows: "No one can live in China very long without having his or her curiosity aroused enough to try and learn something about one or another phase of the complex life of the people among whom we live. Various lines of approach have appeared to different people, according to their previous training and personal interests."

After some further preliminary remarks, the speaker went on to discuss the reasons which had induced him to take up the study of the contemporary religious background of China, and especially the study of the "ma-chang" or paper god.

"While our main objective," he said, "was to learn the meaning and use of the paper gods, in other words the benefits derived from their ceremonialism, we found that by delving into the contemporary life of the villagers and farmers, we were at the same time turning backward, as it were, the pages of an ancient book. To change the figure, we seemed to be laying bare the very tap-roots of China's 'original religion'—roots which traced from the elemental present far back into the dim recesses of her ancient, primitive past...."

The "Paper God"

Professor Day continued by explaining the significance of the paper god. "As the sacrifice and its accompanying ceremonial is the centre of peasant cults, so the paper god is the very core of the ceremonial; what the idol is to the temple worship, the "ma-chang" is to household religion in this and practically every other part of China no doubt."

The lecturer then went on with a more detailed description of individual deities which he illustrated with lantern slides. After showing a large number of these, and explaining them to the audience he concluded his remarks by saying—"here in the popular cults you find a strange mixture of all the religious elements in China's religious heritage—a syncretism of Taoist, Buddhist and Confucian elements into one common popular religion in which the various elements are never so much thought of by the simple-minded peasants. For him it is enough to seek the help of any and all the gods available for gaining and maintaining the good life."

Tribute Paid to Mr. J. W. P. Marsh

Shanghai, Feb. 1.

At the regular fortnightly meeting of the General Committee of the B.R.A. held on January 30 the Chairman announced that he had received a letter of resignation from the Committee from Mr. J.W.P. Marsh, who is leaving Shanghai shortly to join up with His Majesty's Forces in Singapore.

Mr. Marsh's resignation was accepted with regret and his energetic work on behalf of Shanghai war efforts will be much missed. The best wishes of the Association were extended to him on his departure for active service.

The Chairman said that the Association had received a joint announcement from the managers of the Chartered Bank of India, Australia and China, the Hongkong and Shanghai Banking Corp., and the Mercantile Bank of India Ltd., of considerable interest to subscribers to the Shanghai War Savings Association, to the effect that these three British Banks are prepared to advance up to 85 per cent. in sterling of holdings in the War Savings Association provided such advance is required to meet a genuine emergency. The rate of interest would be the very reasonable one of 3 per cent. per annum. The managers of the banks had also stated that they regard funds in the Shanghai War Savings Association as a suitable security for facilities granted to their clients in the ordinary course of business.

\$1,000,000 Ransom Obtained by Gang

Shanghai, Feb. 2.

The activities of a well organized band of kidnapers, who participated in four major abductions recently and collected ransom money totalling more than \$1,000,000 were bared in the First Special District Court yesterday when eight suspected members of the gang were remanded in custody for trial.

Among the victims of the band, it was disclosed, were Mr. Sung Tsong-fang, a Chinese doctor; Mr. Sung King-chow, manager of the Nee Tai Shing Coal Company and Mr. Chen, owner of the Wei Tsung Hotel, Hankow Road, who paid a ransom of \$350,000 for his freedom.

Mr. Sung it was revealed, was held captive by the gang for two months and a ransom of \$3,000,000 originally was asked by the gang for his freedom.

The ringleader of the band was arrested on Friday by detectives of the Settlement police acting in concert with members of the French police in a Chinese hotel in Rue Lafayette. He admitted planning the four kidnappings but denied actual participation in them.

Briton Rushes at Armed Kidnappers

Shanghai, Feb. 5.

Showing complete disregard for his own safety, Mr. A. Emms, a lecturer at the Lester Institute in East Seward Road, rushed to the aid of Tsang Hui-tung, a student of the Institute, when the latter called for help on being dragged away by four kidnappers in the compound of the school at 9 a.m. yesterday.

Seeing Mr. Emms approach, one of the armed kidnappers fired a shot at him, missing the courageous Briton. The appearance of two Japanese soldiers on the scene frightened the kidnappers completely and they fled, leaving the would-be victim.

According to investigations, young Tsang arrived at school in the Institute bus and was alighting with several other schoolboys when three of the gang approached the group and, singling their victim out, forced him to go with them. The fourth member of the gang was in the meantime holding the school watchman.

Tsang shouted for help and was heard by Mr. Emms, who rushed into the street in pursuit of the abductors. One of the armed men turned around and fired one shot at the teacher, who took cover behind an electric pole. The other armed man at that time also pointed his pistol at Mr. Emms. The appearance of the two Japanese soldiers frightened the kidnappers away and they escaped, leaving Tsang alone.

Twenty minutes later, a Chinese, armed with a pistol, attempted to cross the Garden Bridge. When ordered to stop by a Japanese sentry, the man threw his pistol on to the road and escaped into the International Settlement. At first it was thought that he was one of the men concerned in the kidnapping, but it was revealed that it had not been the pistol from which the shot was fired.

The kidnapping was not believed to have been attempted on political grounds. The fact that the intended victim is the son of Tsang Kung-zah, the Chinese manager of the Yee Tsong Tobacco Company, led the detectives to believe that the abductors were after a ransom.

Four Injured in Gang War in Badlands

Shanghai, Feb. 5.

Three Chinese were slightly injured and one was lying fatally wounded at the St. Luke's No. 2 Hospital following a fight between two rival gangs at the Lin Seng gambling den, just behind the Hungaria Restaurant at 272 Yu Huen Road.

The fight between the gangs first started at 3 p.m. yesterday at the gambling den and involved some twenty men. During the fight three men sustained slight injuries, requiring only first aid.

At 9.30 p.m., however, the fight was resumed and the management of the gambling den called out the City Government police. Arriving at the den, the Chinese policemen were fired at by one of the gangsters. The bullet missed its mark, but hit a Chinese servant of the establishment in the head.

The victim, whose name was given as Sing Ah-foh, was taken to the hospital in an emergency ambulance. His condition was believed to be critical and little hope was entertained for his recovery.

The Lin Seng gambling den, which is situated in Ching Yung Li, off Yu Yuen Road, is outside the jurisdiction of the International Settlement police. It was reported that the Chinese police had arrested several gangsters and had taken them for questioning.

Highwaymen Stab Victim For Resisting Them

Shanghai, Feb. 5.

A male Chinese pedestrian was stabbed by two highwaymen at about 9 p.m. yesterday when the two miscreants stopped him on Chaoufoong Road, near East Yuhang Road, and robbed him of his overcoat, gloves, felt hat and wrist watch, the total being valued at approximately \$150.

The robbers, both of them said to be natives of Kompo, made good their escape with the loot.

Detectives of the Central police station were yesterday investigating the strange disappearance of three schoolboys, Sung Tung-fu, Zung Fei-long and Loh Lee-kang, who went to school on Monday morning and have not been heard of since. The three boys, students of the Hwa Hwa Primary School at 130 Ningpo Road, were in possession of a certain sum of money with which they were to pay for their schooling. Whether they fell foul of some crime was not known yesterday.



American Legion Committee Honoured

The Committee of the Shanghai Branch of the American Legion were the guests of the British United Services Association at a tiffin on February 4. The picture shows Mr. Hugh Middleton, President of the Association, welcoming the guests.

American Legion Entertained

Goodwill of America Said Behind Britain In Struggle for Democracy

Shanghai, Feb. 5.

THE Committee of the Shanghai Branch of the American Legion were the guests of the British United Services Association at their tiffin in the Dome yesterday. Mr. Hugh Middleton, President of the Association, welcomed the guests on behalf of the gathering, saying that he felt sure that the bulk of the American people is behind Britain in the fight for democracy, as almost complete understanding exists between the two nations at the present time. The American legion members present were Messrs. B. H. Watson, H. E. Heinzerling and Mr. F. O. Mortimer.

In introducing the guests to the association, the President said:

"We have the pleasure today of entertaining Mr. B. H. Watson, Commander of the American Legion in Shanghai, and his executive officers and it gives me much pleasure to welcome them on behalf of the British United Services Association."

"The last occasion on which we met our American comrades of the Great War was at a cocktail party held at the Race Club on the June 8, 1939, to celebrate Their Majesties' state visit to Washington. We were all very happy at that time to hear of the wonderful welcome they received from the American people and although the political outlook in Europe was then ominous, who among us today ever thought that so many carefree countries would be ravaged, torn and left bleeding in so short a space of time? But all is not lost and the spirit of these peace-loving countries is not conquered, for men from all these lands have managed to escape and are carrying on the battle with the Allies in all phases of this titanic struggle for freedom."

Fight for Democracy

"Morally and spiritually we know that the great bulk of the American people is with us in this fight for democracy and all it stands for and we also know that the welcome accorded our beloved King and Queen on their historic visit to the United States was no mere formal gesture. And so we carry on the fight with supreme confidence in final victory in the knowledge that our cause is a just one and that we have behind us not only the resources of our Empire but the good will and enormous industrial power of the United States."

"I feel that never before has the understanding between our two great nations been so complete as it is today, as evidenced by the act of that great statesman President Roosevelt in his personal welcome of our Ambassador, Lord Halifax, on his arrival in America. I am sure too we are all impressed by that great spirit of sacrifice shown by the large number of Americans now serving with the Royal Air Force and other branches of His Majesty's forces. Even from this far off land Americans have left with our volunteers to join our fighting forces and we offer them our grateful thanks for all they are doing."

Mr. Middleton then proposed a toast to the guests.

In his reply, Mr. B. H. Watson, Commander of the Shanghai Post of the Legion, thanked the Association.

"Some of you," he said, "carried 50 pound packs on your backs during the last war. Now it seems that you carry them in front." He then gave an outline of the activities of the Legion in Shanghai, mentioning that although there are only 90 members here they represent a vast organization all over the world. "We are one of approximately 10,000 posts established in every part of the U. S. and having a total membership of about 1,100,000. Each year we hold a convention in one of the larger cities at home."

American Legion Convention

"The 1940 convention was held last September in Boston. 1,451 delegates being present. This convention, the 22nd in the Legion's history, showed an appreciation of the impact on the U. S. of events in Europe. Two separate resolutions dealing with America's attitude to the war were passed. The first, as presented by the Committee on National Defence, read 'We believe that a sound national defence policy for this country requires that we should give all practicable aid to Great Britain and those aligned with her in their fight for freedom.'"

The second resolution, as read by the speaker, condemned war parties "which are leading their own peoples to death and ruin, and the world to chaos." The resolution also expressed sympathy for invaded countries, and gave an appreciation of both Britain and China in fighting for the preservation of peace.

"These are admirable words gentlemen," continued the speaker, "but are not altogether consoling. Democracies, because of their innate habit of talking things over, move all too slowly. You know how you, and we too, followed the kindly efforts of the late Mr. Chamberlain; many can scoff now, but certainly at the time the majority did not think that human intercourse could be so utterly desecrated by Hitler, the representative of a great people."

"Some, but not the majority, of our people cannot grasp the insidiousness of this scourge that has been thrust upon a portion of this unsuspecting world. This is not a time for temporizing, although unfortunately certain divine precepts, such as the turning of cheeks, must be forgotten. But I think I know our men; in spirit we are with you now, in the very near future I predict we will look arms and go forward as we did once before. I hope and trust we shall be as valourous as your people have been up till now."

S.M.C. Thanks Two Flour Mills Here

Shanghai, Feb. 5.

In identical letters addressed to the managers of the Fou Fong and Foh Sing Flour Mills the Shanghai Municipal Council has recorded its appreciation of efforts made by the mills during the past year in making available large quantities of flour for public sale at reasonable prices. The public it was stated, greatly benefited as a result of the action of the mills.

In its letter the Council expressed the hope that the mills concerned will continue to sell flour at moderate prices as long as it is possible for them to do so.

In a communique issued yesterday on the flour situation the Council stated that as the actual daily requirements of consumers in the Settlement and French Concession are 8,318 bags, the authorities have found it necessary to allot the full requirements daily excepting Wednesdays and Sundays when no deliveries will be made to consumers.

The Foh Sing Mill sold 5,000 bags and the Fou Fong Mill 1,059 bags of flour on January 31, and February 1, making it possible to meet the full requirements of consumers on Wednesday of this week, leaving a balance of 3,800 bags for future needs. If 4,518 bags can be accumulated by a deduction of ten per cent. from imported foreign flour corresponding to local No. 2 grade which has arrived here since the beginning of the year, a full day's supply to consumers on Wednesday of next week can also be met by supplying this amount of foreign flour and 3,800 bags of local flour, the communique ended.

Sing-Song Houses Hit By Labour Dispute

Shanghai, Feb. 5.

The labour situation, which during the past several days appeared to be improving, was somewhat aggravated by new demands presented to the sing-song house owners by the musicians, servants and rickshaw pullers employed by the concerns.

It is understood that the employees have asked a certain Chinese lawyer to make representations to the house owners. A deadlock ensued when the employers, through their lawyer, rejected the demands, stating that these workers depended upon their tips for living, and not upon their pay.

The dispute at the Tu San Wei orphange was settled and 420 workers had resumed work on Monday morning. The management dismissed 80 employees, who received three months' pay yesterday.

The trouble at the orphange reached its apogee on Sunday when the 80 dismissed workers attacked the premises and destroyed instruments and property to the value of almost \$300,000. The riot was quelled by the appearance of French soldiers and Japanese gendarmes. The increase of pay, demanded by employees of the Park Hotel, was receiving further consideration by the management. The situation at the hotel is calm and no strike has been threatened.

Shanghai Women Aid Free French

(CONTINUED)

Shanghai, Feb. 4.

The heroic struggle of General de Gaulle and his loyal army to free France from the enemy invaders is echoed throughout the Far East in the patriotic activities of the Free French and their sympathizers. Gathered together under the ancient banner of La Croix de Lorraine, a symbol famous in France since the days of Joan of Arc and now proudly borne aloft by those fighting for the integrity of France, the Free French are waging war with every weapon they possess.

As their motto they have chosen the three words "France Quand Même," ("France For Ever") and from Shanghai to Bombay, small gilt badges in red, white and blue, emblazoned with these words which may some day be as well known as the old cry "Vive la France," are worn by the followers of General de Gaulle.

The whole world knows today of the dramatic answer of General de Gaulle's appeal from London for men and supplies to carry on the resistance against Germany. From every corner of the French Empire, the able-bodied French youth answered the call to arms, money and supplies found their way to the war chest. In no other city has the response been more encouraging than in Shanghai.

As soon as the armistice was announced, a telegram was sent from this city by the Association des Anciens Combattants of the French Government expressing the veterans' desire to continue the war. When the Government at Vichy decided to lay down their arms, a great many of the French citizens here joined the de Gaulle movement.

In today's world, war is not a matter for the men to carry on by themselves, and so, under the leadership of a Frenchwoman, Mrs. W. Leonard, a ladies' committee was formed in Shanghai which took for its title "La Croix de Lorraine."

The fund "La Croix de Lorraine" was only started five months ago, and since that time the activities of the Committee have been many. A dinner dance, personally sponsored by Mrs. Leonard, was held a few weeks ago, the results of which were over \$8,000. The de Gaulle Free French forces stationed in London received 3,000 knitted garments and 200,000 cigarettes through the work of the Shanghai Committee and, in addition, \$1,000 was remitted for the Christmas Fund.

The de Gaulle movement is rapidly gaining in strength. Mrs. Leonard described it as "a strong chain getting a new link forged in it each day," and added that "the women's organization in China must keep busy to supply comforts for each recruit."

Three of the active members of the Committee were American women, including Mrs. Hollis Arnold, the treasurer, who has since been evacuated. Mrs. Arnold's place has been taken by Mrs. Eric Petersen.

Armed Robber, Suspect Wounded by Police

Shanghai, Feb. 5.

Answering an alarm raised by one of the inmates of 1683A Yang Zung Kong, off Hart Road, a police party engaged two robbers, one of them armed with a Mauser pistol, in a running gun-battle at 6.50 p.m. yesterday. The armed robber was shot by the police just outside the victimized house and was taken to the Police Hospital, suffering from a gunshot wound in the chest. Another man, suspected of having taken part in the robbery, was shot in the hand as he was running away. He was taken to Paulun Hospital.

The two robbers entered the house and intimidated the occupants, stealing money, clothes and valuables. One of the occupants, however, managed to escape unnoticed, and notified the police. The latter arrived on the scene and challenged the robbers. When the latter refused to obey the order to stop, the policemen opened fire, wounding the armed gangster. Another, thought to be an accomplice, was wounded in the hand.

The policemen seized the armed robber's Mauser pistol and seven rounds of ammunition.

His Excellency M. Henry Cosme, the French Ambassador to China, who arrived here on February 1, intends to spend a few days in Shanghai, in order to attend to current routine affairs, prior to his departure for Peiping. As soon as the Ambassador reaches Peiping, M. Jean Paul-Boncour, the Counsellor to the Embassy, will leave for Chungking.

SHANGHAI NEWS (con.)

Armed Robbers Net
Over \$40,000

Shanghai, Feb. 4. A haul of over \$40,000 was made by a band of four armed robbers yesterday afternoon from the Puh Yih Transportation Co., at 53 Foochow Road. The gangsters were in such a hurry to get away from the office, where they intimidated fifteen occupants, that they overlooked a bundle of notes amounting to some \$7,000, which was lying in an open safe. One of the men picked up an overcoat belonging to an employee and took it with him, there being nearly \$100 in a pocket.

The robbery took place at 4.15 p.m. the gang going up to the first floor of the building and entering the office of the company. Fifteen employees, who were at work in one of the rooms, were intimidated, and huddled together in a corner. There were two safes in the office, one containing Shanghai dollars, and the other Yen. The former was lying open when the men entered, and two promptly started to empty it, taking \$34,200. Another \$7,000 was lying in the back of the safe and was overlooked by the thugs. Meanwhile other members of the gang picked up the keys to a second safe from a desk, and emptied it of Y. 4,818. The way out was a robbery, and an overcoat belonging to one of the staff, and put it over his arm. The money, which was all in notes, was stuffed into an attaché case lying on a desk. The whole affair was over in less than five minutes, the men making good their escape before the occupants could gather their wits sufficiently to raise an alarm. A police party attended a few minutes after the alarm was raised but could find no trace of the criminals. The Chinese were dressed smartly in foreign-style clothes, and appeared to be of the upper class. They spoke Shanghai dialect. Two are known to have been armed with pistols.

Annual Jewish Refugee
Committee Report

Shanghai, Feb. 4. The annual report of the Committee for the Assistance of European Jewish Refugees indicates that another year of humanitarian work has been performed in helping Jews who were forced to leave their homes and seek refuge in Shanghai. It is pointed out that 1940 was a particularly hard year on account of the abnormal rise in prices. It was only by the enforcement of the strictest economy that the Society was able to carry on its work of supporting over 13,000 persons. Numerous local appeals did not provide sufficient funds for the care of these people, and it was only by the contributions of the American Jewish Joint Distribution Committee that the work was able to be carried on. The problem of obtaining foodstuffs was particularly difficult, due to prevailing conditions in the city. The total expenditure of the society during the year came to \$3,256,419, most of which was spent on obtaining provisions for the refugees. The total number of persons assisted was 13,447. Record numbers of Jews were treated in the various medical centres operated by the society, nearly 2,000 patients being taken into the three hospitals.

Foreign Woman Jumps
From Eighth Floor

Shanghai, Feb. 1. With only a rosary and a few medals as clues, the French Police were yesterday investigating the suicide of an unidentified foreign woman, who jumped from the eighth floor of the Washington Building at the corner of Route Cohen and Avenue Pétain to meet instant death at 7.40 p.m. As far as the fatal jump could be reconstructed, the woman, who was not known to have lived in the vicinity of the building, walked up by the back stairs to the eighth floor, took off her coat, hat and shoes, and leapt into the back yard of the Washington Building. Her handbag, with only the rosary and the few religious medals, was found near her abandoned articles of clothing. There were no papers or money in the bag. The French police were unable to identify the suicide up to a late hour last night, although the presence of the religious medals and rosary pointed to the fact that she was a Catholic. She was modestly dressed and appeared to be about forty years of age. When picked up to be conveyed to a hospital, the woman was already dead, having met instant death. Her head and face were crushed.

Better Industrial
Outlook Seen

Shanghai, Feb. 4. A keynote of optimism regarding the local industrial situation was sounded by the Shanghai Municipal Council in an appraisal by its industrial and social division of the economic and industrial conditions in the Settlement in January. Despite the continuance of restrictions limiting the number of shifts in mills, demands for cotton goods are rising and prices should be decided improvement. Many mills also worked full time, some without even the usual week-end suspension prior to the Chinese New Year holidays.

It was disclosed that hardware factories, machine tool manufacturing plants and those making electric equipment have been reporting steady business with export opportunity to the south opening. Silk filatures have been declining, the last of the cocoons in Shanghai while export has encountered some difficulty as tests and export permits were hard to obtain. Seasoning powder factories reported a good demand but a scarcity of gluten. Brass rolling mills have been facing uncertainties in obtaining raw materials due to scrap copper export bans in many countries. The holidays brought production to a virtual standstill in many plants.

Child Protection

Young people under the age of 18 admitted to the Salvation Army Beggars' Camp since January 1 have been interviewed by social workers of the Child Protection Section. There were 212 children in the camp on January 31, 152 boys, 60 girls. Of these, 205 have been interviewed, 67 with parents, 138 without. Of those with parents, Section social workers began the process of re-establishing contact with these young people, as of those with parents in the camp may be a family welfare problem. The remainder of the young people, who have no parents, will remain in the camp, where educational programmes are being worked out for them. In their case, the ultimate problem is suitable employment. But a period of instruction and cultivation is necessary before they can be placed with hope of successful adoption. The Spring Festival was used for a re-union of young people placed in employment during 1940. In all, 93 from 27 factories were invited, and 81 came. Gifts from various firms were distributed. The purpose was achieved, namely to give a "group sense" to the scattered young workers and to inculcate a desire to make good. The National Child Welfare Association made available 100 suits of winter clothing for the use of the Section in its rehabilitation work.

Adjustments in Police Cases

Forty-one children were handled by the Section, of whom 39 were handed to the Section for adjustment by the Police. Twenty-two had strayed, seven had been abandoned, six were homeless. Twenty-nine were sent to five institutions, seven were returned to their homes. Thirteen cases from previous months were re-opened for re-adjustment. Seventy-four young persons under the age of eighteen were before the Court. Sixty per cent. of them were unemployed, and 77 per cent. guilty of thieving in some form. Twelve had had previous convictions, two having had four. The Court imprisoned 23, sent five to the Reformatory, and detained eight. Fifty-one young delinquents in the Reformatory and Women's Detention House were interviewed by the Section and assistance offered. Four who, in the Reformatory, stated they wished for the Section's help in making a new start, were met by gang leaders in a car upon release. New employment was found for three boys from institutions, and readjustments were made in six cases. Seven new factories were approached for employment; five agreed to take young workers after the Festival.

Foreign Woman Suicide
Identified by Police

Shanghai, Feb. 2. The identity of the foreign woman, who jumped to her death from the eighth floor of the Washington Apartments at the corner of Route Cohen and Avenue Pétain on Friday evening, was learned by the French Police yesterday. The suicide was identified as Mrs. Z. Samson. Her nationality could not be ascertained, but it was learned that she was born in 1899 and came to China in 1917 from Liverpool. Seven years before, she lived at 104 Route Vallon. As it was already reported, Mrs. Samson walked up to the eighth floor of the apartment house and jumped into the backyard. She was already dead when she was picked up to be taken to the hospital. Her head and face were crushed.

Distinguished Visitor
In Shanghai

Shanghai, Feb. 1. A distinguished visitor to Shanghai at present in this city, is M. Nguyen Tien Lang, Annamite author of works in the French language, mandarin at the Annam court, and son-in-law of Premier Pham Quyen of Annam.

On his way to Tokyo to join the French delegation engaged with negotiating economic questions with the Japanese Government, M. Nguyen intends to remain in Shanghai several days.

In an interview with the French Radio Station, M. Nguyen, who was at one time head of the Emperor of Annam's press bureau and personal secretary to the Empress said:

"The French catastrophe was absolutely unexpected for all of us, as we firmly believed in a French victory. Defeat, however, never impaired our loyalty, and I can state that the idea of dissidence never struck us for a moment."

"France, the country we love for what it has done for us and for the way she did it without encroaching on our aspirations and cultural heritage, is unhappy, but she will recover her greatness. As far as we are concerned, there is only one thing that we can do: share her trials, and help in her reconstruction which, for us, finds expression in but one word, one name: Marshal Pétain."

The Marshal is bringing about his reforms and his national revolution on the basis of a doctrine containing three essential elements: work, family, and mother country. These are the principles which have always impressed us Annamites. The Annamite people live in an atmosphere of family morals, and its deepest respect goes to order, hierarchy and authority. Marshal Pétain stands for all this.

"It is also very important to us that His Majesty Emperor Bao Dai has since the very first days expressed his admiration for the Marshal. At all solemn functions at our Imperial court he recalls the importance of the leader's activity and of the adherence which our people must show to his reforms and his authority."

"Indo-China is calm and orderly. It is economically prosperous, and its exports continue. Life is not expensive there. The Indo-Chinese know that the entire world is going through a crisis and they must consider themselves privileged. They know that the French Government does not forget them and they desire only to continue their existence under France's protection. We can look to the future with confidence."

Armed Robber Loses
Pistol to Victim

Shanghai, Jan. 30. Although he had lost \$70 in a single two pairs of ear rings and a silver locket, a Chinese victim of an armed robbery, committed by three men at 391/214 Haiphong Road at 6.20 a.m. yesterday, retained his senses and, taking advantage of the moment when the armed member of the gang turned his back to him, jumped on the man.

After a short struggle, the desperado's 38 automatic pistol was wrested away from him. Seeing that their game was up, the miscreants took to their heels, without attempting to recover the firearm.

The gang entered the house and the armed man produced his pistol, ordering the occupants to keep quiet. The other two searched for money and valuables, taking the \$70, the ear rings and the locket. At that time, however, the armed man turned away, only to be jumped upon by one of the victims. The pistol had two rounds in the magazine. The trio fled, and their escape. The case was reported to the Gordon Road police station, and investigations into the case are being conducted.

Armed Robbers Net \$550

Shanghai, Jan. 30. Cash and property worth \$550 was taken from a house at 419 Muirhead Road last night, the gang of four robbers succeeding in escaping without an alarm being raised. The gang, two of whom were believed to be armed, entered the house at 8.30 p.m. and after intimidating the occupants decamped with \$440 in cash, a mah-jongg set, and an overcoat.

The Shanghai Municipal Council health report for the week ending midnight January 25, shows that the total number of deaths from all causes amongst the foreign and Chinese population in the Settlement was—Foreigners 14 and Chinese 836. Deaths from notifiable diseases were—Foreigners, tuberculosis 2; influenza 2 and paratyphoid fever one. Chinese, tuberculosis 39; measles 8; diphtheria 4; typhoid fever 4; dysentery 3; beriberi 3 and influenza, malaria, relapsing fever one each.

LOCAL FOOD PRICES

Average prices obtained on Jan. 31, 1941. H.—Hongkong Market and shops in Hongkong District W.—Seymour Road Market and shops in Western District F.C.—Meats and shops in the French Concession.

BEEF		VEGETABLES	
H. W. F. C.	H. W. F. C.	H. W. F. C.	H. W. F. C.
Rib . . . 2.20 2.40 2.20	B'boon . . . 1.50 1.20 1.30	Beans 7.50 1.00 0.90	Broccoli 0.20 0.20 0.20
Rump . . . 2.60 2.30 2.30	Cabbage 0.10 0.05 0.18	C'boe 0.10 0.25 0.13	Carrots 0.10 0.25 0.13
Sirloin . . . 2.80 2.50 2.50	C'boe 0.10 0.25 0.13	Onions 0.30 0.30 0.30	Potatoes 0.30 0.30 0.30
Suet . . . 1.00 2.00 0.30	Carrots 0.10 0.25 0.13	Spinach 0.05 0.25 0.15	Toatoes 1.00 1.20 0.75
MUTTON		TURNIPS	
Chop . . . 1.30 1.40 1.50	Onions 0.30 0.30 0.30	Turnips 0.20 0.15 0.07	
Clivet . . . 1.40 1.40 1.50	Potatoes 0.30 0.30 0.30		
Shoulder . . . 1.00 1.70 1.50	Spinach 0.05 0.25 0.15		
PORK		GROCERY	
Lard . . . 1.40 1.40 1.50	Coffee 2.50 2.50 2.50		
Leg . . . 1.70 1.30 0.75	Flour 4.50 0.50 0.50		
Cutlet . . . 1.80 1.60 1.50	Flour 4.50 0.50 0.50		
Shoulder . . . 1.00 1.70 1.50	Flour 4.50 0.50 0.50		
VEAL		MILK, BUTTER AND EGGS	
Cutlets 3.00 — 3.20	Flour 4.50 0.50 0.50		
BUTTER		MILK, BUTTER AND EGGS	
Rump . . . 2.40 2.10 2.00	Flour 4.50 0.50 0.50		
Scup . . . 1.50 1.30 1.30	Flour 4.50 0.50 0.50		
PREPARED MEAT		MILK, BUTTER AND EGGS	
Bacon 2.70 2.50 2.30	Flour 4.50 0.50 0.50		
Ham F. 2.70 2.50 2.80	Flour 4.50 0.50 0.50		
Ham C. 2.80 2.40 2.60	Flour 4.50 0.50 0.50		
S. pork 1.44 1.50 1.50	Flour 4.50 0.50 0.50		
FISH		MILK, BUTTER AND EGGS	
Carp . . . 1.20 0.50 —	Flour 4.50 0.50 0.50		
Live 1.20 0.50 1.20	Flour 4.50 0.50 0.50		
Cod . . . 0.50 1.00 0.50	Flour 4.50 0.50 0.50		
Ed live 1.00 1.00 0.50	Flour 4.50 0.50 0.50		
Manda . . . 1.00 1.00 0.50	Flour 4.50 0.50 0.50		
Salmon 0.25 0.25 0.25	Flour 4.50 0.50 0.50		
Salmon 1.30 1.10 —	Flour 4.50 0.50 0.50		
Shad N. 0.90 0.90 0.70	Flour 4.50 0.50 0.50		
Whait 0.65 0.90 0.80	Flour 4.50 0.50 0.50		
Yellow 0.60 0.70 0.65	Flour 4.50 0.50 0.50		
SALTED FISH		SOAPS	
Herring 0.60 0.50 0.80	Flour 4.50 0.50 0.50		
Ribbon 0.70 0.50 0.70	Flour 4.50 0.50 0.50		
Salmon 1.00 1.00 1.00	Flour 4.50 0.50 0.50		
POULTRY AND EGGS		COAL AND FUEL	
Chick . . . 2.20 2.20 2.20	Flour 4.50 0.50 0.50		
Hen . . . 7.00 6.00 5.00	Flour 4.50 0.50 0.50		
Eggs . . . 2.40 2.40 1.90	Flour 4.50 0.50 0.50		
FRUIT		COAL AND FUEL	
Apples 0.60 0.65 0.60	Flour 4.50 0.50 0.50		
Bananas 0.50 0.40 0.35	Flour 4.50 0.50 0.50		
Oranges 0.60 0.60 0.40	Flour 4.50 0.50 0.50		
Imp. 0.60 0.60 0.60	Flour 4.50 0.50 0.50		
Pears . . . 0.70 0.60 —	Flour 4.50 0.50 0.50		

OBITUARIES

Mr. Victor Payne

Shanghai, Jan. 31. News has been received in Shanghai of the death by enemy action of Mr. Victor Payne, brother of Mrs. A. G. Jacobs. Mr. Payne had already seen service in Egypt with the Royal Artillery and was en route to England via the Cape in the Empress of Britain, when she was torpedoed by a submarine and bombed and machine-gunned from the air. It seems that he was machine-gunned whilst on deck getting into a life boat when it was apparent that the Empress of Britain had to be abandoned.

Mrs. Nellie Rowsell

Feb. 1. In the presence of a large attendance of relatives and mourners funeral services were held yesterday afternoon at the Hungjiao Road Cemetery for the late Mrs. Nellie Rowsell, widow of the late Frederick James Rowsell and mother of Mrs. Manuel A. Ferras, Annie and Harry. The funeral cortege left from the parlours of the International Funeral Directors on Kiaochow Road for the cemetery where religious services were held at the graveside by Dean A. C. S. Trivet of Holy Trinity Cathedral. A beautiful spray of sweet-peas and lilies from Annie, Harry, Bessie and grand-children Patricia and Donald, was lowered into the grave with the casket. The pallbearers were Messrs.—A. G. J. McKerron, H. P. Madar, B. Reynolds, K. H. Schlager, C. Souza and R. Stephan.

Richard Aidan Corbett

Feb. 2. Funeral services were held yesterday afternoon at the Bubbling Well Cemetery for the late Richard Aidan Corbett, aged 1 year and 10 months, the younger son of Mr. and Mrs. P. C. Corbett, with Rev. Father J. F. McGreal, S.J., of the Church of Christ the King officiating. The little boy died at The Country Hospital after an illness of a few hours, and his death came as a shock to his family and their host of friends. The casket, upon which rested a beautiful cross of white flowers from "Mummy and Daddy" and a bouquet of sweetpeas from "Peter" was carried to the grave by Messrs.—J. Colquhoun, A. T. Thomas, H. C. Faulder and C. C. O'Connell.

Mr. William Francis Blake

Feb. 4. In the presence of relatives and friends, funeral services were held yesterday for the late Mr. William Francis Blake, aged 46 years, of the China Engineers, Ltd. A Requiem Mass was said at the Church of Christ the King in the morning by the Rev. Father J. F. McGreal, S.J., who also conducted the last rites at the grave in the Hungjiao Road Cemetery. The late Mr. Blake had been associated with the China Engineers, Ltd., for many years, mostly at Hongkong. His sudden death came as a severe shock to his wife and daughter and

PERSONAL NOTES

Mrs. A. J. Welch left the Country Hospital on January 28, his many friends will be pleased to learn.

The many friends of Mr. C. M. McDonald, representative of "The Times," will be pleased to hear that he left hospital on January 29.

W. J. Monaghan formerly of Municipal Police in Shanghai and Tientsin joined up the Royal Australian Air Force in West Melbourne as a sergeant.

Mrs. H. Vetch of the French Bookstore, Peiping, has arrived in Shanghai from Indo-China and expected to be here for a week before his return to the North.

Major Akiyama will become the new Chief of the Shanghai Press Bureau of the Japanese Expeditionary Forces in China. Colonel Saito, the retiring chief, has been appointed to an important post.

MAIL matter addressed to the following, care of the American Consulate-General, remained for on January 31: Gavino Gutierrez, Donald Jackson, Carmelita Neuro, Miss Eleanor Shew and Alfredo Wilkens.

LEUT.-COL. Jiro Saito, Chief of the Japanese Army Press Bureau in Shanghai, has been replaced by Major Kunio Akiyama, and is due to leave here in the near future to assume an important post elsewhere, the "Shanghai Mainichi" reports.

Mrs. J. W. Carney, vice-chairman of Council, who is leaving Shanghai in the ss. President Cleveland about February 8, had resigned from the Council with effect from February 1. At the request of the Chairman of Council he has agreed to postpone the effective date of his resignation until February 7.

At the annual meeting of the Swedish Association in China, which was held on Feb. 1 at the French Club, the following committee was elected for the year 1941: chairman, R. Bringert, vice-chairman, T. A. Hultman, hon. secretary, J. Warmark, hon. treasurer, Sven Beljier and E. Edwards.

Dr. John E. Baker, secretary of the American Red Cross Society in China and concurrently director of the China International Famine Relief Association, arrived in Chungking by plane from Hongkong on January 28, states the "Sin Wan Pao." Dr. Baker will remain in Chungking for about a week to discuss the transportation and distribution in China of medical supplies from the United States.

News has been received in Hongkong of the disappearance on active service with the R.A.F. of Mr. Arthur Raven, son of Mr. O. B. Raven and nephew of Mr. A. R. F. Raven, the Hongkong architect. The missing flier was one of a squadron sent up to intercept German raiders on their way to attack a convoy. His plane was shot down and he was last seen climbing on to its tail. Speedboats sent out to the rescue could find no trace of him. He was born in Canada, attended school in Hongkong, leaving the Colony six years ago to enter the Liverpool School of Architecture.

Four Suspects Arrested.
By Central Detectives

Shanghai, Feb. 4. Detectives from the Central police station bagged four potential armed robbers yesterday at the entrance to the Shanghai Commercial Bank at the corner of Kiangse and Ningpo Roads at 11.15 a.m. C.D.C. 120, on duty in the banking district, saw the four men loitering in the vicinity of the bank. Suspecting foul play, the detective informed the station and a party of police plainclothes men arrived at the scene. The four men were rounded up by detectives and an imitation pistol was found on the person of one of the detained criminals. The four will face the First Special District Court this morning. Meanwhile, investigations into their records are proceeding.

The health report of the French Municipality for the week ending February 1, shows that the total number of deaths from all causes amongst the foreign and Chinese population in the Concession was—Foreigners 11 and Chinese 173. Deaths from notifiable diseases were—Foreigners, pneumonia and tuberculosis one each. Chinese, tuberculosis 34; pneumonia 10, typhoid and paratyphoid fevers 5, measles 2 and diphtheria, dysentery, berli-berli one each.

To a host of friends, who held him in highest esteem. The casket upon which was placed a beautiful cross of lilies, sweet-peas and violets from "Jeanne and Joyce" was carried to the grave by Messrs. W. C. Gomersall, V. A. Menshikoff, A. E. Valenso, R. C. Lent and H. R. Gasten and Maj. M. Leitao.

LETTERS TO THE EDITOR

S.M.C. Finance:

Tax on Stock Exchange?

To the Editor of the "NORTH-CHINA DAILY NEWS"

Sir,—In Mr. Keswick's reply to the proposed amendments at the last Ratepayer's Meeting appeared the following passage:

Your Council is, however, at any time prepared to give full and detailed consideration to any proposals for new forms of taxation which it is advised are within its legal powers.

Through the medium of your Correspondence Column, I would earnestly request the Council to investigate the possibility of raising revenue by placing a tax of one per cent on all transactions on the Stock Exchange. As the following will show, quite a large amount could be obtained. The turnover for the weeks ending:

January 3		\$43,042,900
" 10		52,928,709
" 17		93,852,100
" 24		69,034,300
show a total of		\$258,858,000

One per cent of this, half per cent levied on both Seller and Buyer, would amount to \$2,588,580; thus the amount for the year would be approximately \$33,651,540 which after scuttling the estimated deficit would leave \$13,651,540. This sum together with the amount that could be raised by increasing the license fees on motor cars and dogs, both of which by the way I consider to be luxuries, would probably bring this sum up to over Fourteen Millions which could be used to pay off some of the older debentures thus further reducing the Council's liabilities.

All this could be done without in any way imposing further hardship on the already overburdened Ratepayers and I feel confident that a unanimous vote would be given by all to this suggestion and that further disgraceful scenes as those at the last meeting would be avoided.

For the sake of brevity am changing my non-de-plume from Bitten Almost to Death to

W.H.H.K.

Shanghai, Jan. 27.

Plea for More Economy

To the Editor of the "NORTH-CHINA DAILY NEWS"

Sir,—Your correspondent's letter published today points to the only possible deduction from the recent ratepayers' meeting—that as voting for Resolution II was by foreigners (other than Japanese) and voting for the amendment was by Japanese, it appears to have been a question of national partisanship, and not at all of unbiased reason. This form of politics is most regrettable. No one condones the shooting, and I believe least of all the majority of Japanese ratepayers, but when one reflects upon the many financial blunders and extravagances of the Council, in conjunction with this unequal taxation, and in the face of present local conditions, it is enough to make anybody "fighting mad."

In your leading article of June 1 last, under the caption of "Is it wise?", you wrote in re a Council employee's salary:

Experience of the past few years suggests that whenever the Council thinks it is doing something which may be open to criticism, the announcement of the fact accomplishes its purpose as an innocent-looking as possible...possibly with the hope that thereby it would escape notice. It has not. The sum of U.S.\$7,500 at 17.77 amounts to C\$133,275 per annum equal to C\$11,166 per mensem...it is doubtful in the extreme whether, in view of all the circumstances, the community can really afford these services...ratepayers who have been assured that the Council will protect their interests by taking care to see that every economy is made will naturally wonder...it is extreme to remind the Council that but for the promise that it would exercise every economy...very considerable opposition would have been manifested at the Ratepayers' meeting to passage of the Budget. That opposition was withdrawn on a compromise, but the Council appears to be reverting to its old course. If it finds that by its latest action very considerable indignation is manifested it will have only itself to blame...it is surely time that the Council took stock of the situation and realized that such things as these, taken so shortly after promises of reform, cannot but raise the profoundest suspicion that the ratepayers' interests are not being properly safeguarded.

In the light of recent happenings the above is prophetic. In the opinion of many ratepayers there are few "pivot-boys" worth even half their bloated salaries, or who cannot be replaced locally at less than half, without the free medical, hospital, home-leave, superannuation and other privileges. This constitutes one-phase of Council extravagance, and while the majority of residents are living from hand to mouth, having discontinued luxuries long ago, and now even curtailing bare necessities, the Council can find funds for such extravagances and luxuries as the Orchestra. And this notwithstanding that S.M.C. finances face a tremendous

deficit. This to my mind, constitutes proof that the Council is not practising economy.

Japanese ratepayers allege that the minority contentions of S.M.C. affairs, and until the advent of their numerous votes, few of the ratepayers bothered to attend meetings. Now that the Japanese have injected some interest into civic affairs, ratepayers other than the Japanese are attending to vote on national lines, without any regard to the issues involved. Shanghai ratepayers are like a lot of sheep—following the leader—without the courage to act for themselves. When the question of the orchestra arose, I spoke to many ratepayers, all of whom were emphatically against retention as a quite unnecessary extravagance, and yet I have attended ratepayers' meetings to watch these same people vote "for" when the question was put, merely because they are afraid to appear conspicuous.

In a letter to you last March, I wrote that "if the surcharge on rates is allowed to go into effect, same will create a vicious circle of increased prices and increased rates that will add immensely to the cost of living, and the vicious circle under which 90 per cent of Shanghai residents are burdened." I need only add that any further increase now, will only make matters worse in the future, so that still further increases will later be demanded. One should not lose sight of the fact that increased taxation not only adds to the Rates, but also adds to the cost of everything else, being passed on by the "butcher, baker and etc."

The present system of taxation penalizes those who have been hardest hit by the vicious landlords, while the latter class have been protected as property owners by the fact that 1937 property values have not yet been re-assessed. These influential property-owning-taxpayers, many of whom have representatives on the Council, are still assessed at 1937 values, while the general public, and the ratepayers are assessed on many-times-increased rentals. It took the S.M.C. Revenue Department a few hours to increase Rates every time the landlords increased rents (as pointed out by many of your correspondents), then why cannot the Revenue Department act with equal celerity in regard to the property-owners.

The Chairman of the Meeting, in his reply to the Japanese proposed Amendment, made a point of the fact that "nearly a month had passed" since the Council announced its intention to increase the Rates yet no alternative suggestion had been put forward by the Japanese. The Chairman of the Amendment, who has been advocating in general terms that the present system be altered." It appears to me that alternative system to the prevailing unequal one can be devised without end. For example, it is a very simple matter to take the 1937 Assessment as a basis. How much revenue did that produce? Well then, how much do you want? Just add a surcharge!! At least the 1937 Assessment was the same for everyone, property-owning-tenants and tenants alike, because that was prior to the rent increases. If it's still fair for the property-owners, then why not for the tenants? I do not see any marvellous demonstration of financial wizardry in increasing the rates! To add 40 per cent. to the previous rates, in order to bring in a certain increased sum—is this supposed to be an example of "pivot-boy" financial astuteness? If not, why make a point of not having an alternative?

You do not have to be a Council financier and high-salaried "pivot-boy" to spend more than you receive!—Oh, we're short Twenty Millions or so, are we? Just add 40 per cent to the Rates, and let the suckers pay! Just double all the License Fees, and let them kick—what do we care? If they do kick, ask for an alternative so long as we get the money!—There is no greater example of Council inefficiency than the exhibition of financial ineptitude of the past twelve months—increased rents, increased rates, surcharges, etc., etc., and—still short millions!

There is only one point to remember. Further increased rates will result in further increased living-costs, and the need for further increased taxation to the already high costs of living. Unless a halt is called, the vicious circle will engulf the taxpayers and the people, and result in bankruptcy of the Council and the Community. The time to call a halt is now! The Council should be made to economize—they will never do so unless necessity compels, and they will do so if made to. There must be made to cut their suit according to the cloth available—even as you and I.

ANTI-SURCHARGE.

Shanghai, Jan. 27.

Licensing System: Extension

To the Editor of the "NORTH-CHINA DAILY NEWS"

Sir,—Direct or indirect taxation. The difference in opinion among our

City Fathers was the cause of that most deplorable incident at the last Ratepayers' Meeting.

Examining carefully the Shanghai Municipal Council's booklet for rates, taxes, dues and fees for 1940, and the revised one for 1941, it is astonishing to see how completely identical both are. With very limited exception, the revised booklet is the exact replica of the 1940 booklet. Our revision committee, I am certain, did not spend one year in copying it.

At present, the only businesses that pay licence fees are those that deal in food and the food and drink caterers, building materials and building contractors, vehicles of all kinds and their drivers. These businesses pay approximately 90 per cent. of the existing licence fees and these same trades are the ones that are forced to carry the additional burden of the new revised fees, whereas most of the other professions, trades, businesses and occupations either pay a nominal fee of \$1 or nothing at all. A rickshaw puller pays more in licence than a pharmacy with a turnover of hundreds of thousands of dollars a day.

Do any of the ratepayers who attended the last ratepayers' meeting know that, banks (Chinese and foreign), hong (Chinese and foreign), brokers, pharmacies, lawyers, furriers, salons, tailors, silk merchants piece goods merchants, haberdashers, etc., etc., do not pay any licence? Does he know that the silk merchant from whom his wife bought the silk for her last dress and for which she spent half of his salary does not pay any licence fee, and that the furrier who skinned him for her last fur coat is only a parasite on his taxes?

With the present system necessities are licensed and luxuries not. Why?

Do you think a rickshaw puller who is kicked about all day has more protection than the bank manager?

Examining the "China Hong List" and the Shanghai telephone directory carefully, I am of the opinion that if the unlicensed trades and occupations are carefully and attentively licensed, a sum of over two million will be easily raised without bringing any hardship to those concerned.

Why not have a registration and classification of all the trades and occupations into three categories and license them after the existing system for food caterers, 1st, 2nd, and 3rd category?

We know that the present revision is only temporary and that more drastic ones will follow in the near future. So why not begin in the right way so that when the time will come for another revision, the Shanghai Municipal Council will have more sources to draw its deficit from than the existing very limited ones.

KYR. DIMITRIADES

Shanghai, Jan. 30.

Illicit Japanese Taxes

To the Editor of the "NORTH-CHINA DAILY NEWS"

Sir,—Amidst the torrent of talk that has arisen since the leader of the Japanese community attempted to assassinate the chairman of the Municipal Council in the full view of 2,000 or more ratepayers, it is strange that so little attention has been directed to the point brought out in Pessimist's letter which appeared in your issue of January, 27 namely, that the basic cause of the demand for increased taxes is the action of the Japanese Army in levying crushing taxes on everything that enters or leaves this city.

Why is rice six times the normal price? And cotton, and wheat and other foodstuffs? Japanese tax these vital commodities. The legitimate taxes levied by the Municipal Council, are as nothing compared with the illegitimate taxes which are enforced by the Japanese Army. Yet Mr. Hayashi, with high-sounding eloquence, deplores the effect upon the suffering masses of the Chinese of the 40 per cent. increase in municipal taxes. Let him bend all his energies towards demanding from his own authorities the free passage of supplies to and from the Settlement, and all its economic problems would be solved at a blow.

This is a fundamental point, and it should be used as a theme for a constant flow of propaganda.

C.

Shanghai, Jan. 30.

The Council Criticized

To the Editor of the "NORTH-CHINA DAILY NEWS"

Sir,—A correspondent in your issue of January 27 opines that the Japanese army is "responsible for at least half of the high cost of living" and another letter today contains the same thought, the inference is that such being the case is a reason for opposing the recent Amendment of the Japanese ratepayers merely because of its Japanese source. Such a suggestion is another example of national partisanship, referred to in my letter published today, without

any thought for civic welfare. Even if true that the Japanese army is responsible for half the increased cost of living in Shanghai, Japanese ratepayers cannot be held responsible. Further, I maintain that the Council is to a very great extent equally responsible.

The Council should have taken steps to regulate the rice problem from the beginning, as was suggested in the local press. The Council had the authority to act in 1937 when they purchased and distributed rice. They could have done the same since, and still can. Had they done so, every firm, large and small, would have subscribed in advance for enough rice to cover their employees' monthly requirements, and they with the Council's staff could have had their rice at cost. This would have maintained the price of rice at somewhere near cost. Instead the Council made several increases to their staff living-allowance and "rice-money" with the result that each increased payment by the Council was met by the rice merchants with increases in the price of rice—just another example of the vicious circle which, by sanction of this further surcharge on rates, will finally engulf the Council and the Community. Importation and distribution of rice by the Council would have changed entirely the whole situation. Inasmuch as not only did rice prices have been maintained at the minimum, but also other food products, even local produce, which have been increased parallel with rice increases.

There is entirely too much national partisanship in regard to Council affairs, and not enough civic welfare. While the number and nationality of certain members of the Council may be a question for national partisanship, and one in regard to which it may be advisable to maintain a solid national front, this question of increased rates is decidedly not! It affects all nationalities alike, and ratepayers should not be influenced by anybody or anything other than their considered opinion of their own and Shanghai's welfare.

ANTI-SURCHARGE.

Shanghai, Jan. 30.

A Radical Proposal

To the Editor of the "NORTH-CHINA DAILY NEWS"

Sir,—It is the usual custom in Shanghai to air one's views in the press prior to any Ratepayers' Meeting, and much is written, but when the time really comes to talk before an audience, then an attack of cold feet (not caused by the weather) appears and we all obey order and vote for all resolutions as commanded. It has been interesting to read all the various suggestions on what the Council should do to raise the amount they require but very little is said as to what this amount is required for.

It would be illuminating, to say the least, if the Council would issue a statement showing exactly, in a clear manner, how and where the money is spent and what portion goes to pensions, superannuations, home leave allowances, and what portion goes forward to the purely local dollar employees such as the policemen, who bear the greatest responsibility in our model Settlement. There seems to be only one sensible way out of all present difficulties. Any other form would be just a continual bolstering of an unhealthy situation.

The Council should go into voluntary bankruptcy and when reformed should remember that we are living in China, and any benefits derived from working here should only be in the currency of this country without any exceptions.

JUST ANOTHER DOG

RATEPAYER.

Shanghai, Jan. 31.

Taxes All Round Wanted

To the Editor of the "NORTH-CHINA DAILY NEWS"

Sir,—In your editorial of last Thursday you stated that at the time Mr. Keswick was shot at he was "acting in the best interest of the community as a whole" in trying to obtain passage of a resolution calling for a 40 per cent. surcharge in rates and to defeat Mr. Hayashi's amendment.

Do you call it "acting in the best interest of the community as a whole" to throw the onus of shouldering the burden of ever increasing taxes and the therefore resulting all round increases, for advantage is taken by all and sundry to hike prices to their heart's content, on an already hard hit public, while those who have the ability of financing the Council, those who have every interest in keeping the Council as heretofore constituted, those who owe their very existence to the existence of the Municipal Council, are allowed to escape with hardly a scratch.

Do you call it "acting in the best interest of the community as a whole" to tax the public on housing, one of the most vital necessities, while big

business is left scotchless to reap in ever increasing profits.

In what other part of the world would a wee little provision shop be levied license fees while the large provision importers are allowed to enjoy their profits free from license or income tax? And is it not with all business here, the little one being compelled to come across while the big one goes around scot-free? This plainly shows that there is plenty wrong with the present system of taxation here and that it is high time that bold steps be taken in order to make it possible for the Council to levy a tax on business profits, which would not only give the administration all the funds it needs but would even make it possible to alleviate the burden of the public by reducing housing and other excessive licensing fees. It might even be possible to abolish land taxes altogether if, besides the tax on profits, the Council were to sanction gambling establishments other than existing clubs, as suggested by ALPHA, levy a tax on stock exchange as proposed by W.H.H.K. and last but not least, place a heavy tax on prostitution. The Council might as well give up the idea of ever driving prostitution off Shanghai streets and other haunts and set busy registering the prostitutes for taxation and, at the same time, for compulsory medical examination.

Since another special meeting is to be held, it is necessary that ratepayers understand the absolute indispensability of circumventing the land regulations so as to empower the Council to derive its operation finances from business profits and to a very reduced extent from taxes on houses and other establishments of prime necessity. Luxuries may as well be everywhere, be hit with the largest possible hammer, but every care must be taken not to attack the vital needs of the masses.

Let it not be forgotten that extreme hardship leads to desperate acts, and that there is another general election some two months hence. I know of some who, angered by the indifference shown by the Council to the hardships of the masses, are committed not to vote for a single foreign candidate at the forthcoming elections, and it is to be feared that greater numbers, who have nothing to lose anyway, will swell their ranks should conditions for them worsen.

ANTI-HUMBUC.

Shanghai, Feb. 1.

How to Raise Money

To the Editor of the "NORTH-CHINA DAILY NEWS"

Sir,—I should like to compliment your correspondent ALPHA on his every able and straightforward letter in Wednesday's issue of your valued paper. He puts forward his case for controlled gambling in the International Settlement with point and argument which should convince all but the most rabid moralists, and I most emphatically support him in his contention that we should not permit all this vast sum of money to be lost to Settlement revenues. As is well known, at present this money is going into the pockets of the Japanese and assists them in continuing their war here; whereas if much of it could be retained by the Settlement it would be used for the benefit of the entire population. It is all very well for the extreme moralists to raise their hands in horror at the very suggestion of the Council taxing stock exchange gambling, to say nothing of running a casino, but few of them would hesitate to buy a ticket in the refugee lottery. Others argue that the Council would suffer a grave loss of dignity; but it surely was not a very dignified action of the Council to call a special ratepayers' meeting and to beg for money to carry on with. The fact is that the Settlement is desperately in need of funds to meet an altogether unprecedented situation, and desperate measures must be employed to obtain them.

The two letters from W.H.H.K. suggest a practical and very reasonable method of obtaining a large annual revenue without creating hardship or hurting anybody's scruples. I refer to his plan for taxing stock exchange transactions. Although it cannot be expected that the big weekly turnover which your correspondent quotes would be maintained throughout the year, for even the stock exchange has its periods of quiet business, perhaps a turnover of \$30,000,000 per week might be reasonably expected, and a tax of 1 per cent, on this would yield \$15,000,000 per annum, which would relieve the Council of much of their embarrassments and help to mend the considerable holes in the Japanese pockets. I have been told that the Council have no authority under the Land Regulations to levy such taxes as this. In answer I would point out that the Land Regulations give the Council no authority to establish a police force or to equip a large volunteer corps. But the said Land Regulations certainly do give the Council authority to maintain law and order in the Settlement; but this costs

money, and money has to be raised by taxation to pay for the maintenance of law and order, so that this authority can be made to cover a multitude of things, including the taxation of stock and other exchange transactions.

But past experience has shown that very little will be achieved by writing letters to the papers. What is needed is a small but energetic committee to work the project up and prepare a resolution for the ratepayers' meeting. I am quite willing to give all the help I can, and if W.H.H.K. and ALPHA would care to meet me and talk the matter over, you, Mr. Editor, are at liberty to pass my name and address on to them, although I am but a small element in this Foreign community. But if anything is to be done speedy action is required.

ANCIENT BRITON.

Shanghai, Jan. 31.

Three Suggested Remedies

To the Editor of the "NORTH-CHINA DAILY NEWS"

SIR.—In view of the frequent correspondence in your valued paper on the subject of the proposed increase and surcharges in license and other taxes, it would perhaps serve some purpose in recalling that in the last Four Year War Shanghai was almost untouched by the ravages. Why? Because, first of all, the Chinese currency was on a sounder basis than it is now. And then, though commodity prices rose phenomenally in the so-called gold currency countries, China was, in fact, prospering because this country's money was on a hard tangible basis and this acted as a cushion; for the price of silver, in following commodity, rose as well. Behold the Shanghai Bund skyline!

Today we don't possess that cushion and we are walking on a tight-rope of the present rate of exchange, with all the terrible uncertainties in prospect. Now, alas, sufficient is known to repudiate whatever panygrics the sponsors of managed currency may break into concerning the merit of paper. For we are rather left with a void feeling that we have been duped and gyped whenever we recall the jingle of the silver that used to be and might have been.

However, I should not worry over it for the time being, but the childish fancy that is shown by some mature mortals in thinking that higher taxations will dispel the present H. C. L. riddle and gloom beggars description. Does it not dawn on them that prices of things will keep step for step with such new impositions?

There are three remedies singly or severally which, however unsavoury to some people, may yet stop the situation from deteriorating further. Roughly:

1. Increase in warfare dues.
2. To float a temporary loan either in sterling or in U.S. dollars at 4 per cent. to be guaranteed by the British and U.S. Governments. At least out of the loudly trumpeted exchange stabilization fund.
3. Raise the exchange value of the dollar to 6 or 7d.

It can be fairly said that we are not as short of fuel, foodstuffs, cotton goods, etc., as some would have us believe, in spite of the extraneous military interference with their flow into this city. Actually there is far more profiteering on a big scale than meets the eye, but it can hardly be detected if everyone, rather than cast about for some remedy, only looks forward to increases and surcharges.

Meanwhile the gap has widened to such an extent that whatever is done in the direction of increasing taxes and wages pours through faster than they can be effected without much good. It practically dooms the outlook altogether. Shanghai it must be admitted is facing the worst crisis of its history and any further inflationary tactics should not be countenanced if we are to be successful in stopping the rot now and save the poor that are with us. Booming shares and commodity prices cannot be of much good to anyone if such false foundations are allowed to remain. In this instance the disinterested view is the right one.

POSTSCRIPT.

Shanghai, Feb. 3.

Some Pertinent Questions

To the Editor of the "NORTH-CHINA DAILY NEWS"

SIR.—It is very satisfactory to observe the interest that is now being taken, as judged by the many letters to your paper, in the subject of S.M.C. finances. That this is all for the good of the taxpaying community cannot be disputed because the Council's present policy appears to be devoid of realism, narrow in its outlook and improvident in the extreme.

At the adjourned extraordinary meeting of ratepayers the Chairman of Council was at pains to explain the workings and findings of its special Economy Committee and that because the Council had adopted the majority of those findings, it was incumbent upon the taxpayers to meet their obligations arising therefrom. Such an argument is typically that

of a local authority, in that it exudes an air of finality as well as confining itself entirely to the present and avoiding any reference whatsoever to the future. The present state of affairs of this city neither permits of payers of Municipal rates, taxes, licenses, etc., accepting the Council's views as final, nor of letting the future take care of itself, because probably the greatest worry of the local taxpayer today is not what he now has to pay in taxes, but what he may have to pay at the end of this year or at the end of next year.

It is imperative that the taxpayer should address to himself certain questions, and probably the first would be, are the present members of the Council truly representative of Shanghai's taxpayers. What would be found? Firstly, that they are all gentlemen of substantial incomes who seldom if ever have to pause and consider whether they can afford the normal necessities of life, as so many other men have to do. Secondly, that almost without exception they represent not vested but rather what may be called foreign currency interests. Businesses where the income is primarily in Sterling, U.S., Hongkong and Straits dollars and their association with the local dollar is merely incidental to exchange transactions. For persons whose minds dwell so greatly on foreign currencies and all that such mental processes imply, is it possible for them to think exclusively in terms of the local dollar and could they visualize for example a man with a fixed monthly income of CNY 400 attempting to budget for, say, the ordinary needs of himself, wife and two school-going children? It is indeed doubtful if they could, and yet how many of the taxpayers (indirect as well as direct) are men of such income or less?

The next question the taxpayer must address to himself is whether he is satisfied with the workings and findings of the Council's Economy Committee and its sub-committee. In their workings have those Committees explored all channels not only by which increased taxes can be garnered, but also by which the very limit of economy can be obtained? For example, after having recommended such a great increase in Council employees' wages, did they think of further economizing on staff by the simple expedient of increasing the Council's working hours to seven per week-day, say 8.30 a.m. to noon and 2 p.m. to 5.30 p.m. Such hours would still be less than those worked by the employees of municipalities in the majority of world cities. Again, did the two committees see the wood for the trees in some of their investigations? They were laudatory in their praise of the way economies had been effected by the Commissioner of Public Works, but did they think of splitting up that department into two separate units, a highways and sewage division and a buildings and maintenance division, each to be in charge of the present two fully-qualified deputy commissioners and thereby dispense with the services of the present highly-salaried Commissioner? Further, when making their recommendations did it occur to the Economy Committee just how impossible it would be to collect taxes and licenses from the recommended sources should the whole China Coast as far as Singapore is totally blockaded? Or did they think of putting the present situation clearly before the many pension-drawing ex-employees, such as for example the six or more ex-Commissioners and Deputy Commissioners of Police and saying that a voluntary surrender of part of their pensions would go a long way to help the Council tide over its present financially embarrassed position, whereas to endeavour to maintain the full payment of such pensions might contribute greatly towards the Council going bankrupt, when there would be no pensions for anybody?

These are but a few random thoughts on what might be done to achieve further economies and as not one has so far appeared in any of the reports of the Economy Committee, and as there may be many similar ones in the minds of your readers, which also have not been mentioned in the said reports, must not the whole body of tax and license payers ask themselves if they are satisfied with the workings and findings of the Committee? It must be remembered, and this is important, that the Committee was a Council-appointed one and not, as it undoubtedly should have been, one appointed by the ratepayers themselves. A further question is whether the members of the Committee are also truly representative of the great majority to tax and license payers or whether they are not gentlemen with views and outlook too similar to those of the Council members themselves.

The answers to these questions lie in the hands of tax and license payers themselves, albeit possibly with the active co-operation of those voting ratepayers who think along the same lines. They must all bestir themselves, to see to it that the ordinary

man-in-the-street payer of taxes and licenses, who forms the majority of such, shall be adequately represented. This can only be achieved at election time in April. In the meantime it is suggested that a committee be formed that is truly representative of all the various nationals who constitute the tax and license payers of this Settlement. Each national group should nominate one member and his nomination should be by a majority vote of the taxpayers in his own group and not by a Consul or similar recommendation. A Committee so constituted would command respect equally from the Council and the whole body of taxpayers and could advise both bodies on matters of great local interest.

HUNGJAO.

Shanghai, Feb. 3.

A Meeting Wanted

To the Editor of the "NORTH-CHINA DAILY NEWS"

SIR.—Although I cannot agree with ANCIENT BRITON's suggestion that gambling be made a means of obtaining revenue by the Council, I should be pleased to meet both him and him at any time to talk over the question of taxation. If he will telephone me any morning between 9 and 10 o'clock, we can arrange a meeting. The number is 21681.

W.H.H.K.

Shanghai, Feb. 3.

What Do Japanese Pay?

To the Editor of the "NORTH-CHINA DAILY NEWS"

SIR.—Your correspondents, discussing S.M.C. surcharges, etc., have put forward very good arguments which should be given every consideration and attention by the Council, but there are some things which must not be lost sight of.

The outcome of a ratepayers' meeting or a Council election is no longer based on the fact that the majority of voters, irrespective of nationality, would endorse the most constructive arguments or vote for the most suitable candidates. The average non-Japanese voter is uncomfortably aware of the fact that the issues of paramount importance are whether he can still bear a heavier taxation burden or submit to Japanese control. In the first case, it is up to the Council to spread the burden evenly without delay; in the second case, the taxpayer would still have the burden but would assuredly be deprived of the strength to bear it. There are many Japanese who secretly cherish democratic principles, but what can they do against the higher power that forces the Japanese vote to become an instrument by which to obtain absolute control of the Settlement.

The use of the Japanese language in addition to English has rightly been advocated, but do not let this be used as an excuse for the behaviour of the Japanese voters after the attempted assassination of Mr. KESWICK; the murderous act was portrayed before the eyes of all, no word was needed to describe it, nothing excuses it. Also, up to the time of the shooting, speeches had been made in Japanese and English and it only remained for Mr. HAYASHI to request a translation of Mr. KESWICK's speech.

We have been duly notified of the increase in the number of Japanese taxpayers, but we are not aware of the amount or percentage of taxes they pay. Their buses pay no Settlement license fees, neither do their army trucks, but ratepayers south of the Creek must pay for all road repairs. What municipal tax, for example, does the big new bus garage at the corner of Kunming Road, near Wayside, pay? Did their bus company pay import duties on their new fleet of buses from Japan? On the other hand, the taxpayer south of the Creek must pay high Customs duties on the balance of the necessities of life which are not already taxed by the authorities in power around the Settlement; not only that, but all goods manufactured in Settlement mills and factories can only be sent to consumers elsewhere in China after payment of very heavy fees, all of which is to the detriment of non-Japanese. Who gets the millions collected by the Customs? As the Settlement is cut off from China proper, why should we pay such duties, or, alternatively, why are they not collected at points where foreign imports pass beyond the Settlement? Customs duties are direct Government taxes, and part of these duties should be allocated to the government of Shanghai until normal conditions prevail again.

The root of all our troubles lies here, its growth is fostered by those who would secure control of the most attractive part of the Settlement without resort to force, and the best councillors in the world cannot fight it until some radical change takes place. In the meantime, you non-Japanese voters, stand by the Council as it now stands; and you, Councillors, do your duty and distribute evenly the taxpayers' burden and, above all, make simple decisions on simple

issues, and do not put the last straw on the back of the weakest ratepayer.

Those Japanese ratepayers who have the true interests of the Settlement at heart can rest assured that their efforts are appreciated by fair-minded ratepayers who must reserve most of their criticism of the Council until a more favourable opportunity offers.

One correspondent states there is too much nationalism guiding the vote; in this, he is partly right, there is too much nationalism shown by the Japanese—with the result that this is necessarily counter-acted not by nationalism, but by internationalism on the part of other voters. One Japanese correspondent states we are retaining too many high Police officials. This sounds all right, but when one considers that some of our supposedly good citizens attempt to set fire to municipal property on the Race Course, we begin to think we should have more Police officers; and, in any case, we are paying a great portion of the cost of the army of occupation around here, a little extra makes no difference.

The cost of an orchestra, etc., is a mere fleecible compared to the voracious appetite of the authorities squeezing the life out of Shanghai. No ratepayer or Concessionaire should lose sight of that all important fact. Be it also remembered that the F.M.C. has no orchestra, etc., yet the taxes are practically the same as in the Settlement.

END TIDE.

Shanghai, Feb. 3.

White Elephant N. of Creek

To the Editor of the

"NORTH-CHINA DAILY NEWS"

SIR.—A lot has been written about the S.M.C. deficit and means of raising sufficient "Jack" to meet it, but isn't this state of affairs due to the fact that that part of the Settlement North of the Creek is a white elephant?

Perhaps you, or some kind reader, would be good enough to give me some idea of annual income received from North of the Creek and the amount expended thereon. This would be very interesting reading. I am sure.

WEARY WILLIE.

Shanghai, Feb. 3.

For Sportsmen: Some Important Suggestions

To the Editor of the

"NORTH-CHINA DAILY NEWS"

SIR.—Sportsmen in Shanghai, deprived of their up-country trips for so long, have been fortunate in getting some good pheasant shooting this winter. I have been talking to one of them today and he has suggested that people might be willing to listen to me if I pointed out a few facts concerning the existing licenses, because it is fairly well-known that I have studied the habits of birds in this vicinity for many years now.

I see from the license conditions that they came into operation on December 1 last and permit all kinds of shooting up to April 15 next. The shooting area is restricted, and the license can only be used on the 1st and 3rd Sunday in each month, which is all to the good; so the only suggestions I have to make refer to the different kinds of birds involved, and will be best explained by making a short reference to each.

Pheasants are in many cases already paired even in this first week of February, and the full breeding season goes rapidly forward after the middle of this month; from now onwards every hen pheasant shot means a potential family gone, and even the cock birds cannot be spared as there are certainly not too many of them. All true sportsmen should be willing to refrain from shooting any Pheasants of either sex after their next "Sunday out," i.e. February 16. And if the I. J. Garrison Commander would oblige by forbidding the shooting of pheasants after the date named it would be better still as this would deter the ignorant and selfish people who may think it is correct to go blazing away into breeding birds just because their licenses permit it.

Quails might well be included with the pheasants as a few of them remain to breed here: really good shooting men will spare them after this month.

Wildfowl—Ducks, Geese etc. need not be bothered about; they do not breed here and can well look after themselves; the end of the existing license will see them all well away.

Snipe are a problem of a different kind: while a few winter snipe may be picked up during the period of the license, the best of the migratory snipe shooting takes place between the middle of April and the middle of May (and again between August 15 and September 15.) I wonder if the Garrison Commander could oblige by renewing existing licenses for one more month? Any such renewal should, of course, include

the words, "Pheasant shooting not allowed."

Although I have not shot birds for years I must confess it has been a reminder of "the good old days" to see the pleasure which local shooting-men, not to mention their dogs, have received from the existing licensing system. The restricted area in which shooting is not permitted has almost created a long-wanted bird sanctuary, and has certainly increased the number of game birds.

To summarize: will sportsmen now do their bit by strictly refraining from shooting any pheasants after their next "Sunday out" (February 16)? And will the I. J. Garrison Commander, in accepting the thanks of all shooting-men, grant one more favour by extending licenses for one month for the snipe shooting?

E. S. WILKINSON

Shanghai, Feb. 4.

For War Charity: Cathedral Organ Recitals

To the Editor of the

"NORTH-CHINA DAILY NEWS"

SIR.—It will be fresh in the memories of local lovers of organ music that early in January the Cathedral organist gave a most interesting talk on the air from the organ-loft of Holy Trinity Cathedral entitled "The Pipe Organ," when he described in simple and non-technical language the construction and mechanism of church organs of earliest times and traced their development down to the latest modern instruments, of which the Cathedral's War Memorial organ is so worthy an example.

On the day following this talk, a well-known veteran resident of Shanghai who in the last few years of the "nineties" and throughout the first decade of this century was a stalwart and keen member of the bass section of the Cathedral choir, put forward a suggestion that Mr. Barton be approached on the subject of giving a monthly organ recital during the next three or four months at which collections would be taken for the benefit of some suitable war charity or object. The Dean and Vestry of the Cathedral have given their whole-hearted support to the project and Mr. Barton has, I am glad to say, agreed to give a recital on Monday, February 10 at 5.45 p.m., when the programme will consist of organ music by Bach, Franck and other composers, and choral music by the members of the "Turner Glee Singers" who will give examples from the works of various English composers—Tye, Byrd, Elgar and others. Mr. Barton hopes to arrange another recital during March, assisted by Mrs. John McNeill at the piano. The collection at the first recital is to be specifically on behalf of air raid sufferers in Great Britain, and in this connection I would like to make it known that Mr. Barton has already been promised donations of \$50 each from the veteran resident mentioned above and from another equally well-known veteran resident as well. I feel certain that this project will meet with warm support from many more of Shanghai's music-lovers and sympathizers with the cause we have so greatly at heart, and that the Cathedral will be well-filled when Mr. Barton takes his seat at the organ on Monday, February 10 at 5.45 p.m.

DONALD MACDONALD.

Shanghai, Feb. 4.

On the Wharves: The Loafer Racket

To the Editor of the

"NORTH-CHINA DAILY NEWS"

SIR.—I wish to mention a few facts about what takes place at local wharves and pontoons. Certain seafaring men (Chinese), when coming to port, land at pontoons with some rice or cigarettes, and these poor fellows have to pay a few dollars to loafers, and sometimes to C.P.C., for permission to land their few belongings. As regards the loafers, this racket can't be stopped unless Japanese sentries are placed on pontoons. As regards C.P.C., I think the high police authorities could do something. Otherwise seafaring men of my kind will have to resort to fistic action.

CHARLIE

Shanghai, Jan. 31.

Soup: Is It Eaten?

To the Editor of the

"NORTH-CHINA DAILY NEWS"

SIR.—There seems to be a lot of controversy over this question, and I wonder if some readers of your esteemed paper would give their opinions.

This is the question, and I should like to know which is correct: "To eat one's soup" or "To drink one's soup."

PUZZLED BILLY

Shanghai, Jan. 31.

***Edit.—1. To masticate and swallow food. Used also for liquid food for which a spoon is used.—Shorter Oxford English Dictionary.—Ed.

LETTERS TO THE EDITOR (continued)

Shanghai's Burdens:

And Mounting Cost of Living

To the Editor of the
"NORTH-CHINA DAILY NEWS"

Sir,—In none of the views expressed in your columns have the writers touched upon the real basis of our financial troubles. Economies effected by paring down the salaries of the municipal staff, by abolishing the orchestra, providing as it does most wonderful music (a form of relaxation and uplift which is realized is no longer a luxury but a necessity), and by cutting down what is quite reasonably normal expenditure in other directions, will achieve little in the long run. They are merely palliatives pandering to the surface of a boil instead of attacking the root cause.

Chinese and foreign trade is paying for the cost of aggression in China. Shanghai is being milked dry by illegitimate taxes—squeeze in short—and no amount of economy in other directions will relieve the situation. It is now no secret that enormous sums are being collected daily by the Japanese from every available source. Agricultural produce pays tribute at every ingress to the Settlement, as is apparent by the difference in prices within and without our boundaries; launches and sampans pay, often both in cash and kind; newly built houses in the Western District and elsewhere cannot be occupied until thousands of dollars are paid for the mere right to live in them; barriers are erected in extra-Settlement roads, and Chinese who pass them pay toll to the guards; gambling dens pay enormous sums for permission to carry on their illegal trade; and how many factories, shops and even residences pay dues is incalculable. Rumour has it that upwards of 50 million dollars a month are mulcted from the purse of Shanghai.

So much for outgoings, what of income? The Customs, the salt gabelle, the railways and other Government enterprises collect their millions also, a large proportion of which in past years has been repaid to Shanghai in the form of interest on investments, but which now, one gathers from correspondence in your columns, is lying in Shanghai banks, unused and idle. What of these huge accumulations in the hands both of the Chinese and Japanese? Were they distributed, and there seems to be no valid reason why they should not, be the present situation would undoubtedly be relieved to a great extent if not liquidated. These very considerable sums now frozen, mean that money hitherto usable is out of circulation. As they go on piling up, less and less money will be available for legitimate business enterprise, which after all is the foundation on which Shanghai is built, and the distribution of which would be to the advantage of Chinese, Japanese and Occidental alike. It may not be invidious to mention that, according to your columns, similar Japanese loans pay their interest with commendable regularity.

The writer himself is not concerned with Government loans and the interest payable on them, except that he, in common with every one else in Shanghai, and this includes Japanese, is contributing to them whenever he buys a dutiable article—a hat, a ton of coal, or a loaf of bread. These loans and the interest on them have to be paid off. It is to be admitted, but to keep the money indefinitely out of circulation is indefensible.

Payments such as those outlined and no doubt others unmentioned are not however, the cure for the present state of affairs in Shanghai. Until the elimination of the existing illegal system of taxation is attained the high cost of living will follow the present vicious spiral of inflation.

It is a sad story and merits more chivalrous treatment at the hands of those who do know what the word means.

PRAYER WHEEL.

Shanghai, Jan. 28.

Plain Truth Wanted

To the Editor of the
"NORTH-CHINA DAILY NEWS"

Sir,—I was distinctly impressed by the straight-forward candour of your correspondent PESSIMIST in today's issue of your journal.

The gravamen of his charges is that the Japanese army and local Japanese monopolies are responsible for at least half of the high cost of living in Shanghai and in that way are to blame for the measures which the Council brought before the recent Ratepayers' Meeting.

It is for the Council to inform us whether this is correct—a rumour to this effect which has been prevalent for some time, is not enough. We have a right to demand the plain truth.

If it is correct, it is difficult to understand why the Council did not proffer so complete an answer to the Japanese ratepayers' demands, and tell them plainly that only the removal of this predatory horde could alleviate the situation.

Let the Council tell us the truth, and we shall know where we stand. This appeasement policy will lead us further into the quagmire of insolvency.

AJAX.

Shanghai, Jan. 27.

Bold Remedy Wanted

To the Editor of the
"NORTH-CHINA DAILY NEWS"

Sir,—To anybody who cares to give the matter sufficient consideration it is more than obvious that the financial position of the S.M.C. is in a pretty serious condition and will continue to remain so even if the new proposals for raising the wind are passed at the Ratepayers' Meeting. These measures will only be of a stop-gap nature as, with the increasing cost of living, further advances in wages will be expected, and doubtless given, to its employees.

Over and above this there is the very serious problem of the commitments of the Council in foreign currencies. If exchange takes a further fall or even stays where it is now a deficit is certain and still more extra meetings will have to be called to authorize increased taxation and additional strains will thus be placed upon a community which is already struggling for a commercial existence.

Increased rates mean increased costs of production, higher cost of living and consequently additions to wages and salaries, all around, in other words we are upon the circumference of a vicious circle.

The position as it stands at present is not only unsound but desperately unsound and the sooner this fact is realized and adequate steps taken to remedy matters the sooner there will be a chance of the S.M.C. attaining some financial stability and confidence being restored. Man cannot live on loans alone.

This letter is not intended to criticize how the money is spent, a subject which has had ample airing in the past, but to put forward a tangible suggestion as to how income can be increased, on a painless extraction basis, without crippling an already harassed community. That the suggestion will meet with considerable opposition from certain quarters is to be expected but these people have the option of watching their money go "broken" or sinking their scruples.

This suggestion is that the Council should not only legalize gambling but monopolize it in the Settlement as is done by other municipalities and principalities in the world.

Nobody can deny that Shanghai is overburdened with money, recent flotations of local companies are ample proof of this statement, but these over-subscriptions only represent a fraction of the wealth in the city, which wealth is being frittered away just over its boundaries, in fact on its boundaries in whichever direction one cares to investigate.

The following queries and statements might give food for thought:—What is the amount of money earned daily and nightly by the two gaming houses in Avenue Haig and Great Western Road?

(The statements which I am now going to make are furnished by a very reliable informant whose identity, obviously, cannot be disclosed.)

The barricades in the Great Western Road were removed after the recent shooting only when \$4,000,000 had been paid to the authorities there by gambling interests who were thereby affected. Quite apart from the question of the cash which was turned over, this sum will give a faint indication of what the places in question are collecting from their clients. (Incidentally, we are about due for another killing.)

The amount of "cunshin" collected by the cloak-room boys and amahs alone in another well-known gambling house reached, over three days during the foreign New Year holidays, the fantastic figure of \$175,000. The amount given to me as being the money spent during the same period by that house in providing, free of charge, the necessary drinks, food, smokes and transport, during the same period, reached a total so huge as to be incredible and I would not care to give it as, in this instance, my information is second-hand and possibly not reliable, although I am inclined to believe it myself.

The income of these two places alone would run the Settlement without any increase in the rates or, possibly, without any rates at all!!

It is "easy" money, money which people have and do not seem to mind parting with, and it is literally being turned out of the Settlement into hands who are certainly not using it for the good of any community.

Does anybody, no matter how opposed they may be to the idea of gambling or benefiting from the proceeds of gambling, really believe for one moment that by closing down gaming houses in the Settlement, gambling in Shanghai is being prevented or that they are putting the temptation of gambling out of people's way? All that is necessary, if one wishes to try one's luck, is to ring up and have a super-car sent round to one's house, free gratis and for nothing, and go ten yards out of the Settlement within a couple of hundred yards of a Settlement Police Station and leave as much money as the place as can, or cannot, be afforded.

Therefore, it is no use the Council or anybody else believing that they are doing the public a good turn by prohibiting gambling within its boundaries, such measures are ineffectual and foolish. Surely it would be much more logical to keep these millions of dollars, which are being thrown away anyway, within the City, in fact, go the whole hog and open a well-run municipal casino upon adequate protection.

People who object to gambling upon moral grounds would certainly have no need to frequent the place, neither would those who, like myself, believe that gambling is a sign of inferior intellect.

Moralists cannot say that gambling is not taking place in Shanghai today. Is playing around on the Stock or Cotton Exchanges, to mention but two opportunities, any more or less of a gamble than roulette—even with a double zero? How about the Races?

A suggestion was made some time ago in your columns that Slot Machines should be licensed in the Settlement. The same argument was used that I am now putting forward, viz., that anybody wishing to play the machine can do so to their heart's content in the Concession or upon the outside roads, again driving good money away. Not very long ago a gentleman, now presumably no longer with us, offered the S.M.C. millions of dollars for the exclusive right to operate these machines in the Settlement for two years.

What does the F.M.C. collect altogether from the heavy licences paid to them for permission to operate these contraptions within their territory?

Further, how would the rates of the F.M.C. be affected were it not for these proceeds plus what is collected from the Candrome and Auditorium? What is wrong with running a Municipal Lottery? There are hundreds of sweepstakes organized in Shanghai every year, all bringing in good money to the organizers.

To conclude, the Council, through lack of initiative or through some sanctimoniousness, is losing a golden opportunity to put itself financially upon its feet. Gambling is the one form of municipal trading which could be undertaken without interfering with private interests. As pointed out, it is done in other parts of the world in places where there is much less excuse for a municipal enterprise of this nature than here in Shanghai. Conditions and opportunities around the Settlement make any objections on moral grounds not only futile but laughable.

Desperate measures are required to meet a desperate situation and before opponents of the scheme reject it they should realize how desperate the situation is and likely to be in the not very distant future.

ALPHA.

Shanghai, Jan. 27.

Tax Increases:
French Concession Difference

To the Editor of the
"NORTH-CHINA DAILY NEWS"

Sir,—I cannot understand all this wail-and-wine about an increase of 40 per cent. in rates. Why raise hell and thunder on a question which will, anyway, be settled to the satisfaction of the S.M.C., as many past experiences have shown.

Here, in the French Concession, such things are being done more quietly. We are just presented with a fait accompli, i.e., a bill to the effect that rates have been increased. There is no airing of views, no public display of passions, and I believe no argument—as far as I follow the newspapers I have never come across such a thing as a French ratepayers' meeting. All we have to do is to swallow the bitter pill and pay the increase demanded. And while the plan for a 40 per cent. increase in rates in the Settlement is still under discussion, though nobody doubts about the results, we, French Concession residents are already paying the same increase as from January 1 on top of the 50 per cent. surcharge which we got in July.

M. S.

Shanghai, Feb. 1.

Thursday's Fracas:

Comment by a Chinese

To the Editor of the
"NORTH-CHINA DAILY NEWS"

Sir,—On the incident which the last Ratepayers' Meeting suffered, and which was taken as a disgrace, one may, in my opinion, offer a brief comment as follows:—

(1) If violence such as even to the extent of assault is to prevail in the Settlement, then the reason d'être for the existence of S.M.C. can be rendered null and void.

(2) If the S.M.C. may accede to such autocratic or arbitrary responsibility as was suggested to assume, then the reason d'être for any Ratepayers' Meeting can be rendered null and void.

(3) There can be neither democracy nor security without application of the principle of majority rule, that of free debate, or that of law and order.

(4) The International Settlement isn't a municipality in the general sense; it is not a city like Tokyo, New York or London. It is a generally accepted settlement, originally granted by China herself to the British and the American nations through their respective governments.

(5) Whatever right or duty which the Chinese may assume by virtue of their presence in the Settlement, social, humanitarian, or moral, rather than political.

(6) Experience has a long record in the Settlement, and it has been, beneficial both to China and the Chinese as well as to the foreign traders who always regard it as a safe and peaceful place, however small and however autonomous it is. When China becomes strong and able enough to have protection, protection may be brought about and carried on by means of militarism.

(7) There can be no benefit, but harm to Japan and much more to China, of course, if the Japanese were by any means to impair the protection, promotion, safety, and facility of trade in the Settlement.

(8) Monopoly of exclusion of trade, as history has repeatedly shown, cannot long survive, even though it may be brought about and carried on by means of militarism.

L.

Shanghai, Jan. 26.

Reasons for Dissatisfaction

To the Editor of the
"NORTH-CHINA DAILY NEWS"

Sir,—While in no way condoning the use of fire-arms, may I suggest that there are at least four good reasons for the dissatisfaction shown at the recent Ratepayers' Meeting?

(1) We all are weary of the ever-increasing costs; the Japanese should realize that they have no right to impose such a heavy burden on us. PESSIMIST has pointed this out so clearly in today's issue of your paper that I need not repeat what he has said. On a far lesser scale, it cannot be denied that what Mr. LIEU says today is also true. Not a few of our officials are being paid, if there were no war, here or in Europe, and quite a number of them are being paid as if they were fully qualified. They are not, and they are not paid with homeside standards. Moreover, we are not given a full picture of their salaries, for there are allowances which are not specified sums. It would indeed be illuminating to read what exactly are the salaries (including all allowances) of the Council officials, and to be told precisely what are the qualifications held by those receiving such salaries.

(2) There being so many Japanese ratepayers present, it is not unreasonable that they should understand precisely what is being said, and surely copies of all, except impromptu speeches, should be distributed in English in Japanese, so that everyone knows what is being said. But let us have no summaries: Mr. Hayashi's speech to the Japanese was not identical with the version given in English; we could much more easily see exactly what he said—since his words often aroused great enthusiasm among his own countrymen, which gave grounds for feeling that the summary was toned down, for very good reasons. Any impromptu speeches should be strictly limited to, say, five minutes, and should be at once translated, and translated fully.

(3) Undoubtedly the Chairman was within his legal rights in counting hands; but since there was such an obvious demand for a vote on the amendment, why on earth was this not at once granted? Occidentals as well as Orientals wished for this, and should certainly have had it; thus might all the trouble have been averted.

In any case, how can a show of hands give a just decision? It merely shows how many individuals desire something. But let us not have no representation one vote; very far from it. Let there be no more decisions by "show of hands."

(4) Surely it is clear to everyone that the Land Regulations do need a lot of revision; has any attempt been made to achieve this? So far as we know, none whatever. The Court of Consuls cannot reach unanimity, then at least let us know clearly what Consuls are doing to achieve this. This direction has even been attempted: he has a right to know what precisely is being done to the Settlement into such vicious trouble.

Finally, may I ask why the actual calmness of the Police, the obvious

threat made by Mr. Hayashi, and the unpleasant fact that Mr. Hayashi was not the only armed Japanese present are points which have been slurred over? Each of these points merits attention. And before the Meeting is re-convened, everyone has a right to be assured that absolutely no one, except uninvited members of the S.M.P., will carry any sort of arms whatever. Civilized people do not require weapons when attending a political meeting—or do they? If so, it does not speak well for the civilization of the nations represented at such a meeting.

NON-VOTER.

Shanghai, Jan. 27.

The Language Question

To the Editor of the
"NORTH-CHINA DAILY NEWS"

Sir,—The view opportunely presented by IMPARTIAL in this column yesterday was well taken, and worth receiving the keen attention of all fair-minded ratepayers.

This is certainly not the time for us to indulge in theories for the sake of mere discussion, but existing bare facts should be unbiassed met, and practically equitable measures must accordingly be taken. The adoption of the Japanese language, as rightly suggested by IMPARTIAL, is a question, and a most urgent one too, that should invite the consideration of those who harbour a wish for reasonable and smooth discharging of our Municipal affairs with friendly co-operation of various nationalities concerned. There may be various reasons for sincerely suggesting the use of Japanese by the Municipal Council, and of them, "an ever-growing number of the Japanese ratepayers" who now now represent more than 80,000 residents, surely cannot fail to be one that is very important. A more vital reason, however, lies, in my opinion, in the fact that Shanghai has virtually become an isolated island that occupies a very small portion of the vast area in occupation by the Japanese Forces since 1937, and Shanghai's peace and prosperity can only be expected by a close co-operation of the Japanese and the Chinese City Government, with Settlement Administration. It is quite natural, therefore, that contacts, political, social or economic have been steadily increasing among these authorities, and the interests of the Settlement affairs of the Japanese have also been increasing rapidly. That the Japanese in urging the Council to adopt the Japanese language are very sincere in their motive should in no way be doubted; they have been cherishing a hope to voice or to suggest what they believe best not only for their own community but for the welfare of all the peoples in Shanghai; in other words, they have been wishing to be as honest components as others in Shanghai's Municipal administration.

Since IMPARTIAL clearly pointed out, and as our City Fathers will probably know well, very few Japanese can listen to others' opinions or voice their own in English. Could it in any sense be called fair politics worthy of the international character of the Settlement, if any questions that would bring a serious effect upon the interests of all citizens were introduced and discussed at public meetings in one language, and in one particular language only, and if this denied a good many voters their right to know how matters are going on before their very eyes, simply because of their ignorance of that language? There seems at present no appropriate step but the adoption of Japanese by the Council to do away with this unfair state, and never has it been more pressing and vitally important than it is today, if an opportunity is to be equally enjoyed by all without any discrimination or handicap.

SQUARE DEAL.

Shanghai, Jan. 28.

A Japanese View

To the Editor of the
"NORTH-CHINA DAILY NEWS"

Sir,—I have read with great interest Mr. N. L. LIEU's letter which appeared in your esteemed paper of January 28. I fully agree that if all the foreigners and Japanese alike had acted reasonably, no such unfortunate incident as that which occurred on January 23 would have taken place. Apart from Mr. Hayashi's drastic action, it is apparent that a great number of ratepayers, regardless of nationality, are able to understand the motives of his action, which I presume were, firstly his national feeling, which all foreigners equally possess; secondly his indignation towards the unfair decision taken by the Chairman concerning Mr. Hayashi's amendment; thirdly, and the most important, is the Council's bold proposal of 40 per cent. increase of rates and taxes, which is contrary to the betterment of Shanghai.

Unless the Council reconsiders the matter carefully, and as long as they

insist on maintaining the status quo of the S.M.C., despite the present greatly changed state of affairs in Shanghai, economically and politically, an unsatisfactory and unsettled state of mind will prevail for a long time among the Shanghai residents, which might cause more serious trouble in the near future, although the meeting to be held on February 5 is expected to be pushed through in the usual unsatisfactory manner.

There has never been such a critical moment for the Council to face. The responsibilities which rest on the shoulders of the Municipal authorities are greater than ever before. If they fully realize the seriousness of the situation, they can neither ignore the hardships of the majority of the residents, nor coolly demand that they shall bear the unprecedented increase of rates, etc., simply because of maintaining their employees' high state of living at the cost of the residents (Chinese employees are excepted, as they are originally very poorly paid). Those who suffer from the high cost of living are not only the Council's foreign employees, but millions of poor Chinese residents.

Mr. Keswick emphasized that there is no way but to increase the rates, etc., to meet the Council's deficit, with which I greatly disagree, as I am more fully aware of the state of extravagance and over-staffed personnel than any members of the committees on whose reports his opinions were based.

For one thing, I would like to know how many people would think it necessary to have seven Deputy Commissioners and eight Assistant Commissioners in the Police Force?

At the present critical moment we do sincerely wish for the advent of a great international man, able to handle this very difficult situation without prejudice, but with a true sense of international cooperation.

A NON-CHINESE EX-MEMBER OF S.M.P.
Shanghai, Jan. 30.

New Bank's Notes:

Their Convertibility

To the Editor of the
"NORTH-CHINA DAILY NEWS"

Sir,—In view of reports appearing in the press which tend to create doubt as to the convertibility of the notes of the Central Reserve Bank into "fapi" I should like to bring to your notice the following facts for which I can personally vouch.

(1) On Saturday afternoon last, January 25, a friend of mine had no difficulty in exchanging \$100 Central Reserve Bank notes into fapi at an exchange shop in Hongkew, being charged the discount rate usually charged by these establishments in these transactions, namely 1 per cent. At the same time the proprietor informed him that but for the close proximity of the Spring Festival holidays, which meant that the Bank would be closed for the following three days, he would only have charged ½ per cent.

(2) A short while ago I myself paid a large sum into an office account with the Central Reserve Bank in notes of the new currency. A little later I needed a considerable sum to meet certain local expenses. Accordingly, I sent my clerk, a man quite unknown to the Bank officials, to the Bank with a bearer cheque for that amount, with instructions to ask for the equivalent in "fapi." He met with no trouble whatsoever and within five minutes of the cheque's presentation walked out of the Bank with the amount in "fapi."

(3) On hearing that individuals were experiencing difficulty in getting actual notes exchanged at the Bank, and were being requested to give their name, etc., I decided to test the matter for myself. Accordingly on Friday afternoon I walked into the Bank and asked for "fapi" in exchange for Central Reserve Bank \$50. It was handed me without any ado whatsoever. Further, I was given an English acquaintance Central Reserve Bank \$10 and asked him to make the same experiment. He reports that all he had to do was to walk into the Bank, hand in his Central Reserve note over the proper counter and be handed a \$10 "fapi" note in exchange.

Contrary, therefore, to the reports that are being circulated there are absolutely no formalities to be complied with at the Central Reserve Bank in obtaining "fapi" in exchange for Central Reserve Bank notes. No difficulties are placed in the way and the transaction is completed in the minimum of time. In regard to exchange shops there in Hongkew at least will exchange Central Reserve Bank notes into "fapi" at a discount rate of ½ per cent. less, that is, than the normal rate demanded in such transactions.

There is one more point that I would like to make, and that is that the French Municipal Council has declared its readiness to accept the new currency at par with "fapi" in payment of municipal rates, licences, etc. which it would hardly do if there was no convertibility.

C. C. LAI,
Manager.

Central Press Service of China
Shanghai Branch.

"Old School Tie":

"Still Meddles and Muddles"

To the Editor of the
"NORTH-CHINA DAILY NEWS"

Sir,—Congratulations on your editorial of January 23 regarding Lieut. Col. Bingham's letter "The Times" alleging that officers from the middle classes had "fallen down on their job."

Possibly not many of these officers have been given quick promotions, decorations and safe cushy jobs, for the "big shots" who fix these little matters are probably, as in 1914-18, members of the Old School Tie Brigade and who it is said generally manage to "boost" up their own clique tending to ignore, whenever possible, good men amongst the common herd, i.e. unfortunates who did not attend one of the great public schools.

If anything further is necessary to back up your editorial we may refer to late cables from the Abyssinian front—stating that young Australian officers and non-coms are leading the new Abyssinian army.

At first it would appear strange that the British Army H.Q. did not call upon the young settlers of Kenya, where since the end of the last war very many families of the school tie brand settled down and where it would be natural for them to acquire a good training for the handling of the African natives, whereas Australians down under have no such opportunity.

The employment of these Australians in preference to such men as the Kenya settlers, some of the cream of high society in Britain, does not necessarily mean that the young Kenyates lack courage or even toughness but it does mean that the British Army H.Q. is under no illusions, and that in modern warfare bravery alone is not sufficient, but something else is required—brains.

In short the H.Q. has for once, anyway, placed brains, fighting brains, above school ties, quite a new departure for the Army, and one that may bring out a large rash of letters from the Bingham type and their kind who, unfortunately for our Empire, still wield far too much influence.

Our dear Old Brigade still meddles and muddles, greatly to the detriment of our war efforts. According to "Oriental Affairs" of last November, Hongkong and Singapore suffer severely from these people.

Ex SOLDIER.

Shanghai, Jan. 27.

Something in Defence

To the Editor of the
"NORTH-CHINA DAILY NEWS"

Sir,—May I suggest that possibly the main idea in wearing the "Old School Tie" is that Old Boys of the same school may thereby recognize a potential friend? A new-comer in a strange land, on seeing someone wearing the tie of his school's Old Boys' Association, at once feels, and rightly, that he may promptly claim friendship, whatever may be the disparity in age or position; I have heard of many such instances. Too, no one wearing his "Old School Tie" would willingly behave in a way which would cast a reflection on it, for, while wearing it, he represents his old school. These may be small points, and I fear I have expressed them badly; but I do not feel that "swank" comes into the question very much, for the simple reason that practically no one except those entitled to wear it have the remotest idea what (if anything) the tie represents; so, if "swank" does come into it, it is certainly almost entirely wasted!

Perhaps I may add that every secondary school at home, in my experience, has its "Old School Tie," and not merely "the great public schools"; and it continues to surprise me to notice how very few Old Boys bother to wear their "Old School Ties," pride in one's old school need not, and certainly should not, involve boastfulness; and as practically no one would recognize the tie in question, the wearing of it can scarcely be said to be merely a sign of "swank."

Actually, I think Old Soldiers rather exaggerates his case; by no means all the chief generals in the last war came from the "great public schools"; some did, some (Field Marshals, too) most certainly did not. And I observe that O.L.S. states the "big shots".... are probably members of the "Old School Tie Brigade," and, later on, "the British Army H.Q. is under no illusions" which would appear to show that after all there is not so much wrong with the O.S.T.B. I.

As to what is happening in Abyssinia, had we better not wait for a good deal more than inferences drawn from cables before we draw any hasty conclusions? Several young friends of mine—young settlers of Kenya—joined up at the very beginning of the war, and I have good reason to think that when, if ever, the whole story is told, it will be realized that these "young settlers" (whose numbers are, by

the way, not so vast as is their adopted country) were by no means sound wages, even though no mention of them has as yet been made in brief cables.

I have no use whatever for those who think that only Old Boys of "the great public schools" (or of the older Universities) are really worthy of the places at the top; such an attitude betrays both ignorance and snobishness. But in all fairness, one must realize that the mere fact of having been educated at one or both of such places is often spoken of as if it were enough to condemn a man to wear more ado, which attitude also betrays ignorance and snobishness.

The education given at "the great public schools" is, I think, no better and no worse than that given at the many lesser "public schools," or at the new secondary schools—it may be slightly different, and better in some ways, but definitely not so in others. Tradition has its values; but I agree that it may also have its weaknesses. Purely by chance I have just read in a book entitled "British Education," by Mr. J. B. Hales, late Staff Inspector of the Board of Education, the following remark:—"A Public School does not make a boy more arrogant; it makes him more modest." Perhaps this is why one sees so very few "Old School Ties!"

The writer was educated neither at one of "the great public schools" nor at one of the older Universities, but, speaking from considerable experience, he has made a remarkable exception of the most disquieting features of both such schools and such Universities is the growth of a somewhat crude and half-baked Socialism (sometimes Communism) due to theorists who, if consistent with their ideals, should not be in such institutions at all.

P. P.

Shanghai, Jan. 29.

Hongkew:

A Just Criticism

To the Editor of the
"NORTH-CHINA DAILY NEWS"

Sir,—The letter sent to you by ANOTHER FOREIGNER in reply to the one by FOREIGNER regarding conditions in Hongkew, has given me a bad smack by its last paragraph. On the unproven assumption—which I believe to be wrong—that the letter came from a Jewish refugee's pen, he did not hesitate to attack that whole community in a very ugly manner. To attack just that part of the foreign population that has suffered so much and is still suffering, half of which has to live on one meal a day provided by charity, while the other half is struggling desperately to keep soul and body together, is surely repellent in itself. But it is unwise too, as it weakens the front of democracy, though I cannot believe a man to be a friend of democracy who deals with minorities in this way which is so very typical of the other camp. To give vent to one's dissatisfaction with conditions by blaming and punishing just the weakest at hand, is Nazi manner pure and simple.

JUSTUS

Shanghai, Jan. 26.

"In justice to the above correspondent, and those others who have written in the same vein, but whose communications cannot be printed for lack of space, it may be stated that there is every reason to believe that A FOREIGNER, who wrote the original letter is not a Jewish refugee. There are many Jewish refugees who reside in Hongkew.—Ed.

Tramway Fares:

More Excessive Charges

To the Editor of the
"NORTH-CHINA DAILY NEWS"

Sir,—Your journal reported recently that the S.M.C. had approved the application of the Shanghai Electric Construction Co., Ltd. to increase the fares by 35 per cent. My experience goes to show that the increases range from 50 per cent. to almost 90 per cent. For instance the minimum first class fare has been raised from five cents to eight cents, an increase of 60 per cent. The fare for a journey from Seymour Road to Yu Ya Ching Road from eight cents to 15 cents an increase of almost 90 per cent. It looks uncommonly like the case of the man who was given inch and took a yard. I am not opposed to the increases if they are necessary but I do dislike the action of the Tramway Co. in asking our city fathers for 35 per cent. and then helping themselves to what appears to be about double the amount officially sanctioned.

When another Public Utility Co. like the Gas Co. asks for a modest 250 per cent. surcharge approval, they at least stick to the percentage given.

Our city-fathers are a big-hearted body when it comes to surcharges so that there is no need for the Tramway Co. to be modest in the matter of asking for a liberal increase in fares and keeping within limits approved.

ACCURACY.

Shanghai, Jan. 31.

The Greeks:

An Impression Corrected

To the Editor of the
"NORTH-CHINA DAILY NEWS"

Sir,—In reading your leaderette about the continued successes of the Greeks in yesterday's issue of your esteemed paper, I came across the following passage:—

...though their (the Greeks') blood has been corrupted by the long period during which they were enslaved by the Ottoman Empire...

May I take the liberty to point out the big mistake of using the word "corrupted" in this connection?

The above statement, probably shared by many people who have never lived or travelled in Greece, is entirely erroneous. The East-Roman empire which fell a victim to Ottoman conquest about 450 years ago is by no means identical with Greece. The territory of modern Greece, which comprises nearly the same area as ancient Hellas, has at no time suffered from an invasion on a larger scale. In the only country granted to them by the conquerors, the Turkish horsemen did not penetrate into the mountainous interior either of Attica or the Peloponnese. As everyone who has lived for some time in Greece proper may well have noticed, the Hellenic nation of today can rightly be considered to be almost 100 per cent. descendants of the people that fought at Marathon. Not only their physical appearance but also their language has not changed during the last 2,500 years as much as the English of Chaucer and Spenser in the time since about 1300. I suppose that today old Xenophon would be able to read the daily paper in Athens and to understand the most part of it without difficulty, whereas the merry author of "The Canterbury Tales" presumably would be at a loss when trying to find out the meaning of one sentence in a contemporary American or English newspaper.

However, the ancient Hellenes were no pure race, anyway. Their blood is likely to have been "corrupted" to a large degree from time immemorial. A few Aryan-speaking tribes had mixed with a dense and highly civilized population of primordial non-Aryan extraction many centuries before Solon gave a new constitution to the Athenians. We know, moreover, that some of the oldest and noblest families in ancient Athens were of oriental-semitic origin. The founder of ancient Thebes in Greece according to Greek history or legend, was a Phoenician, (Kadmos—"the man from the east"—a semitic name).

There is more likeness to antique statues among the countryfolk of modern Greece, and especially the Aegean islands, than there is among Nazi leaders to a Teutonic nobleman of Durers.

AM-DEE.

Shanghai, Jan. 26.

Theory of their Origins

To the Editor of the
"NORTH-CHINA DAILY NEWS"

Sir,—I would like to make a few pertinent comments concerning your correspondent AM-DEE's letter dated January 26. There are some very strange remarks indeed in this letter, coming as it does from one who would defend the Hellenic race.

It is highly probable that an Aegean race of unknown extraction dwelt in Hellas before the coming of the Aryan-speaking peoples, but there is no proof that this Aegean race was Phoenician or oriental-semitic, as one would seemingly infer from what AM-DEE writes. Professor Bury likens the original inhabitants of Hellas to the Iberians of Spain and Gaul and the Ligurians of Italy, while Professor William Ridgeway believes that this was a dark-skinned race which "had dwelt in Greece from a remote antiquity and had at all times, in spite of conquests, remained a chief element in the population of all Greece, whilst in Arcadia and Attica it had never been mixed."

This Aegean race mingled with the migrating Aryan-speaking Hellenes, who came probably from the north. The Hellenes proper make their first appearance in Thessaly and Epirus. The Homeric people were fair and blond, and seem to have been a conquering race. In all probability therefore, it seems that a dark Aegean people inhabited the southern regions for ages, and that throughout the centuries the fair-haired people from the north from time to time invaded the peninsula of southern Europe. In conclusion, basing myself on "The Historians' History of the World," I venture to state that the Hellenes proper or the conquering race are of Aryan stock as is evidenced by their language, which was eventually imposed on the older people. As regards any Phoenician settlements which may have been made at Thebes or elsewhere, these doubtless were Hellenized, and are, therefore, entirely negligible.

ARISTIDES.

Shanghai, Jan. 31.

More on Their Origin

To the Editor of the
"NORTH-CHINA DAILY NEWS"

Sir,—Bearing out the contentions of ARISTIDES, published in your issue of February 4, my archaeological research has proved that an "Aegean civilization" existed in what we now call Greece, perhaps 1,500 years B.C. This civilization was evidently not the heritage of one single race but was spread among many. They were far above the level of savages, possessed flocks and herds, tilled the soil, and had mastered the rudiments of navigation. They evidently made free use of the metals copper and gold. They also appeared to know of iron, which they mixed with copper, and produced the more durable bronze. Tin had to be brought from distant western points, perhaps France or Spain, and this will serve to indicate the extent of their trade and navigation.

Nor was this any civilization borrowed from Egypt or Babylon but apparently a genuine native growth of Europe, centred around the Aegean, and destined to be among the progenitors of the Greek race.

The Greeks referred to these earlier inhabitants of their peninsula as "Pelagis," the name arising from that eponymous hero Pelasgus.

The early Greek mind loved to personify periods and movements in concrete human form, and we find therefore the first steps out of the dim Pelagic past to be ascribed to a single prince, the founder of the Hellenic name.

The ancestors of the tribes which were later to become Greeks were doubtless a fair-haired Aryan race who migrated to the peninsula from the North, and when these people had established themselves on the Aegean, we find evidence that they demonstrated their virility by piratical descents on the Egyptian coast. Their "nuisance value" is evident from the fact that mention of these raids is made in the chronicles of Rameses II—about 1,000 B.C.

The Phoenicians to whom is wrongly ascribed all the beginnings of culture in Europe were certainly an influence upon the civilization under review, but the civilization was native and European, and not Semitic and imported. Although the Phoenicians were sea-farers and traders—so were the people with whom they were in contact. That the progenitors of our Greek friends benefited by contact with the Phoenicians there can be no doubt as among other legacies, the Phoenicians left the "letters of Cadmus"—as the Hellenic people called them—the alphabet.

The Phoenician influence also made itself felt in the sphere of religion. To the then collection of Greek Deities the Phoenicians added Aphrodite—the Goddess of fertility and reproduction and Heracles the God of Endeavour. Aphrodite is a modification of the Eastern Ashtaroth, and Heracles of Melcarth.

It is generally accepted that the inhabitants of Greece 1,000 B.C. were the same race which ultimately gave the World Socrates and Leonidas. This race was decidedly not Semitic, and with the exception of a few minor infiltrations, the ancestors of the present Greeks.

The present time is not the first in the history of the world that Greece has fulfilled that first of social duties—a manly and determined resistance to lawless aggression—a duty no less important among nations, than among men.

It is a known fact that Hitler will mangle history to the advantage of whatever speech he may have been making, but surely there are Italian authorities on Ancient Greek history who could have pointed out to Mussolini that the same blood flows in the veins of those gallant Greeks of today who are pricking the bladder of blackshirt conceit as flowed in the veins of that Leonidas and his immortal Spartans who so many years ago exploded the myth of Persian invincibility at Thermopylae.

There must be something in the Democratic principle of letting everyone have a say—you'll sometimes get sound advice!

L. C. SMITH.

Shanghai, Feb. 3.

The Look-See Racket:

A New Trick Discovered

To the Editor of the
"NORTH-CHINA DAILY NEWS"

Sir,—An ingenious method of dealing in motor car tyres was demonstrated yesterday afternoon by three "look-see" devils at Hungjiao/ Warren/Great Western Roads using a strip of bamboo in the form of a spring, with one end on the hub and the other depressing the valve. Returning from a walk, I found two flat tyres, and the car parked immediately behind, had one flat tyre, with the bamboo spring in place.

Fortunately we were able to borrow a pump.

MC429

Shanghai, Feb. 3.

SPORTS AND PASTIMES

Shanghai Football

League Standings									
Shanghai, Feb. 1.									
First Division									
	P.	W.	D.	L.	F.	A.	Pts.		
Tung Hwa	10	8	0	2	33	20	16		
S.F.X.	12	7	1	4	38	34	15		
S.M.P.	10	7	0	3	33	23	14		
A.S.F.	12	5	1	6	37	36	11		
Lusitano	10	5	0	5	35	27	10		
S.R.C.	10	4	1	5	21	18	9		
J.R.C.	12	3	1	8	34	45	7		
P.T.H.	10	1	2	7	19	31	4		
Reserve Division									
Lusitano	7	5	2	0	25	7	12		
Tung Hwa	5	4	1	0	18	5	9		
J.R.C.	7	4	0	3	21	19	8		
S.M.P.	6	3	1	2	13	18	7		
S.F.X.	6	3	0	3	15	14	6		
A.S.F.	7	2	2	3	14	17	6		
S.R.C.	7	2	0	5	9	22	4		
P.T.H.	7	0	0	7	14	27	0		
Second Division									
French Forces	8	7	0	1	36	7	14		
Three Cultures	7	5	1	1	31	14	11		
Russian Regiment	7	4	2	1	26	12	10		
British Navy	8	5	0	3	28	17	10		
Sokol	7	3	3	1	14	9	9		
Russian A.A.	7	4	0	3	22	20	8		
4th "A"	6	3	1	2	14	20	8		
Rowing Club	7	2	0	5	18	29	4		
Maccabi	9	0	0	9	7	38	0		
Parks	0	0	1	6	6	31	1		
Third Division									
Xaverians	11	10	0	1	54	15	20		
Old Westons	7	7	0	0	28	8	14		
Garsmen	9	6	1	2	22	9	13		
Cathay Laundry	10	5	2	3	20	24	12		
Y.T. "A"	6	5	0	1	25	9	10		
Aurora	9	4	2	3	35	18	10		
Beitar	11	4	1	6	28	24	9		
Judeans	8	2	2	4	18	24	8		
J.A.C.	8	2	1	5	20	25	5		
Wha Lien	5	2	1	2	13	16	5		
Hospiturs	9	0	2	7	8	35	3		
Tung Wen	9	0	0	9	8	35	3		
4th "B"	9	0	0	9	4	54	0		

A. S. F. Defeat Lusitano

Shanghai, Feb. 2.

Playing against a side that was crippled by injuries to three of its players, the Association Sportive Francaise defeated Lusitano by 4-1 to enter the semi-finals for the Skottowe Cup before a very large crowd of spectators at the Race Course yesterday.

The first half ended in a one-all draw, with the Portuguese dominating the play. The second, however, was a different affair and the fans witnessed Legionnaires launching one raid after another to eventually increase their lead to 4-1. Two of their goals were scored by Jimmy Ward, who was well applauded by the spectators for his magnificent effort when, standing with his back to the Portuguese goal, he received the leather from Bossuet and turned around to locate the net from a very difficult angle.

Lusitano were to blame for not scoring more often in the first half when they were head and shoulders above their opponents. Gann, one of the trickiest forwards in the senior division, outdribbled himself more than his opponents. Barradas, on the left, crossed some beauties, but most of them were wasted as the Portuguese were inclined to dribble the ball into the net.

A rather interesting point of the match was the number of offside committed by the French players, particularly by Ernie Smith, who spoiled several promising movements in doing this. Bossuet and Robostoff were also pulled up for the same offence.

A.S.F.: Premet, Collet, Roussel, Segalen, Pecquery, Bell, Robostoff, Mihaloff, J. Ward, Bossuet, Chennik, J. Rozario, M. Souza, Costa, Marcel, J. Duzillo, Oliveira, V. Sousa, Favacho, Colloaco, Gaan, L. Rozario, Barradas.

Russian Regt. Beat Union F.C.

Shanghai, Feb. 2.

Displaying better stamina and being favoured with breaks, the Russian Regiment eliminated the Union Football Club in the re-play of the semi-finals of the Tsz Ling Cup at the Aurora University ground on Avenue Dubail yesterday afternoon when the Russians garnered three points in succession in the extra periods to emerge triumphant on the long end of the 5-2 count.

At the expiration of full 90 minutes the score stood deadlocked at two all, though the mis-kicking by F. Loh of a penalty kick in the last minute robbed the Chinese side of the right to go into the final round. In the first extra 15 minutes the Russians gained the leading point through a 12 yard spot kick well taken by Kulagueriff, while in the second half of the extension Sokoloff banged in two goals in a row to sew up the contest.

A big crowd of spectators turned out to witness the replay of these two teams which had drawn at two all after prolongation of time in the initial encounter. Despite the referee's efforts to keep the onlookers outside the bamboo fence that surrounds the pitch there was constant encroachment by the Chinese followers.

The teams were as follow:—

Russian Regiment—Goluboff; Bramen, Sere; Midrigue, Moleschik, Chennik; Andrieff, Sokoloff, Kulagueriff, Shestakoff and Vednieff.

Union F. C.—C. C. Tung; Z. B. Voong, H. Loh; S. F. Loh, C. L. Chang, A. P.

Loh; Y. T. Yeh, F. Loh, Z. T. Woo, S. B. Lee and S. Y. Lee.
Referee—Liu; Linesmen—Chang and Teng.

Wah Lien Beat Hotspurs

Shanghai, Feb. 2.

The Wah Lien footballers knocked out the Hotspurs in the semi-final round of the Junior Cup competition yesterday afternoon at the Kiaochow Park by the odd goal in three. The score at the end of the initial period was deadlocked at one all and after resumption T. S. Chen, the centre-forward of the Chinese team, became the hero of the day by slamming in the deciding goal.

Police Again Beat Tung Hwa

Shanghai, Feb. 3.

Putting up an aggressive game with their defence matching every one of the Chinese attacks, the Shanghai Municipal Police stepped closer to the championship of the First Division yesterday morning when they defeated Tung Hwa by 2-0 before a crowd of 7,500 at the Canidrome.

The game, however, was one of errors. For the victors, Willie Ward missed at least six or seven open goals while the Chinese were unfortunate to miss all the three penalties which were awarded to them. Tsha, who as a rule, is a sharpshooter when it comes to convert spot kicks, missed two within three minutes in the first half, while Chen threw cautions to the winds in the second session by ballooning the twelve yard drive.

S.M.P.—Bulpin, Vietal, Woodley, Stangard, Croo, K. Zing, E. Chong, N. Lee, K. H. Huang, S. M. Tsha, S. T. Liang, Y. L. Chia, P. T. Kao, L. K. Tai, L. H. Han, Y. D. Chen.

Saints Win Over J.R.C.

Shanghai, Feb. 3.

The S.F.X. forged into the first place of the senior division yesterday afternoon when they defeated a depleted J.R.C. team by the score of 5-3 before a large crowd of spectators at the Race Course. The schoolboys led by 5-1 at the end of the initial half, but slackened in the second to allow Jewish side to notch two points to slice the lead.

S.F.X.—L. Usankoff, S. Schultz, Garwood, Halford, W. Peterson, J. Greenberg, Laskowski, F. Edwards, Foy, H. Peterson, C. Edwards.
J.R.C.—Korn, Kramer, Sommer, Marischol, Meyer, Shornik, Elk, Stern, S. Levy, Friedlander, Debris.

P.T.H. Beat Three Cultures

Shanghai, Feb. 3.

Displaying a slight edge in every department over their opponents, the P.T.H. defeated the Three Cultures Club in the second round of the Skottowe Cup at the Kiaochow Park yesterday afternoon by four goals to two.

A near riot occurred at the gate after the match when a small crowd of unruly Chinese attempted to mob the referee and the linesmen. Linesman Fadeyeff was kicked and punched from behind as he walked in the rear of the chief inhibitor to the ticket office where they had left their coats. In self-defence Fadeyeff was obliged to retaliate with his flag-pole. Simultaneously some rowdy spectators attacked one of the P.T.H. players and a scrap took place just outside the entrance. Fortunately, the fight was short-lived, thanks to the intervention by the police. Meantime a telephone message was put through to the Babbling Well Police station but when the Police van arrived the undesirables had already disappeared.

British Navy, Russian A.A. Score Easily

Shanghai, Feb. 2.

The Second Division matches produced interesting soccer at the Race Course yesterday afternoon, with the sides picked to win earning easy victories. On R. G. 1, the British Navy, who have somewhat slipped in the past two weeks to lose to the Russian Regiment and Sokol, regained some of their lost prestige by handing out a walloping to the Rowing Club, the final score being 7-0 in favour of the Navy.

On the Rees' ground, the Russian Athletic Association, playing without Gallunas, their star centre-forward who played on the Russian International team, were not extended by Maccabi, who could only field nine men. The game was very one-sided as the final result might suggest. The end came with the Russians winning by 6-0.

On R. G. 5, Sokols continued to win their victims this time being the 4th "A", who put up a hard fight before succumbing by 0-5. The Marines were unfortunate in missing a penalty in the second half at the time when the Russians were leading by 4-0. This win catapulted Sokol into second place of the Second Division, where they tie with Three Cultures.



Now in the Semi-Final of the Skottowe Cup

Rallying strongly in the second half of the game the A.S.F. came back to rout Lusitano by the clear-cut margin of 4-1 in Feb. 1, Skottowe Cup clash at the Race Course. They are now in the semi-finals of the Skottowe Cup. Pictured above are the Legionnaires: Left to Right (back row) Bell, Pecquery, Collet, Premet, Roussel, Segalen, Trainer. (Bottom row) Robostoff, Mihaloff, Bossuet, J. Ward, Smith.

Carson Enters P.I. Net Championship

Shanghai, Feb. 2.

L. D. Carson, Shanghai's ace tennis player, will be figuring in the biggest tourney of his career this month when he plays in the Philippine Open Tennis Championship in Manila, which attracts some of the best talent in the Far East and Australia. Carson left recently for the southern city and is expected to be away for about a month, during which time he will probably also take part in the Philippine Wack Wack Golf Championship.

This is the third time that Carson has been invited by the Philippine Lawn Tennis Association to take part



"N.C.D.N." Photo.

L. D. Carson

in this championship but this year is the first time that the Shanghai star has been able to accept.

While in Shanghai, Carson has swept aside all opposition in a highly convincing manner and it will be extremely interesting to see how he will fare against first-rate competition. It may be recalled that Carson received a strong test in May 1939 when F. Ampon, the Filipino Davis Cup player, paid a visit here. On that occasion, Carson was out of practice, but nevertheless he gave an excellent account of himself despite losing the match.

Rapid Golf Rise

Carson's visit to Manila and his possible participation in a golf tourney there also throws attention on to his rapid rise in the local golf world. It was not more than three years ago that he first picked up the game, but in the brief interval since then, he has cut his handicap down from 24 to two. His biggest achievement, however, was his performance in the China Open Amateur Championship play last year when he finished up as runner-up to Tony Ricketts.

He is not expected to capture the Wack Wack Open, which has a purse of U.S. \$500 for participating professionals, but he should be able to rank well at the top.

Baqlava Wins India Racing Crown

Singapore, Feb. 2.

Baqlava captured the triple crown of India by winning the Eclipse Stakes of India race yesterday by a neck. Passé II was second, Pierrot third and Chanak fourth. Betting was 4-6 on Baqlava, 10-1 on Passé II, 5-1 on Pierrot, 8-1 on Chanak. Twenty-one ran.—Reuter.

Dr. Chou Wins His Pink Paper Hunt

Shanghai, Feb. 2.

The tenth hunt of the season took place on Saturday afternoon under brilliant riding conditions and gave a splendid run to some 25 starters of both Y and Z classes. The responsibility of the course was jointly shared between David McWhirter and Herbert Spence, the latter being incapacitated by damage from the previous week from laying the run prepared, while McWhirter with admirable sportsmanship offered at very short notice to lay the paper, the third time during the season that he has rendered this valuable service to the Club.

The start was at the 3rd. Bridge on Mingchow Road and the Creek line of jumps was negotiated in good style, Robinson and Pollock being to the fore. A good water jump round the corner after Creek line, was the cause of considerable grief, the approach round a grove being difficult. Here Dr. Chou suffered a complete immersion to the great pleasure of a large crowd of Chinese spectators, but emerged to remount with admirable composure.

Neck-and-Neck Struggle

Over the 4th Bridge platform and up the line of jumps Dr. Robertson and Chester Fritz fought out a grim neck-to-neck struggle, followed by Dr. Chou and Azadian. Robertson dropped a hind leg two jumps from the finish and fell back, and Fritz seemed to have the win in his pocket, only to be foiled by a refusal at the finishing jump.

Dr. Chou is to be congratulated on his first win, duly celebrated afterwards at the Race Club. He was drowned in the first mile of the run, and his triumph has been gained only after a series of places on the card, over a period of several years.

The card read as follows:—

1. Dr. Chou no Lemberg (Z)
2. Dr. Robertson on Aelius (Z)
3. H. Azadian on Cousin Henry (Z)
4. C. Fritz on Adrian (Z) Heavyweight
5. A. V. White on White Pilot (Z)
6. Miss Arguello on Ali Bey (Z)

Football League Results

Following are the results of county cup and league football matches played on Saturday:—

LONDON CUP

- Chelsea 0, Brentford 1
- Crystal Palace 5, Fulham 2
- Queen's Park Rangers 2, Aldershot 3
- Clapton Orient 0, Reading 4
- Tottenham 4, Millwall 0
- West Ham 1, Arsenal 3

FOOTBALL LEAGUE SOUTH

- Portsmouth 10, Bournemouth 2
- Southend 2, Brighton 0
- Watford 7, Southampton 1

MIDLAND CUP

- Luton 2, Northampton 2

LANCASHIRE CUP

- Blackpool 2, Manchester City 1
- Burnley 2, Everton 3
- Manchester United 4, Bolton 1

NORTH REGIONAL

- Newcastle 7, Sheffield Wednesday 1
- Rochdale 5, Crewe 0
- Stockport 4, Southport 1
- York 3, Hull 3

SOUTH REGIONAL

- Cardiff 3, Swansea 2
- Stoke 2, Notts County 2

OTHER MATCH

- Scottish Football All 1, Army XI 0

RUGBY LEAGUE

- Hull 10, Dewsbury 2
- Wigan 8, Oldham 6.—Reuter.

Eric Moller Wins Paper Hunt

Shanghai, Jan. 30.

Although leading comfortably at the finish of yesterday's Hunt, Bagshot ridden by "Nobby" Clark, pecked so badly at the last jump that two other ponies were able to streak past and get home in front. Eric Moller on Saucyflight came in first, with Duncan Fraser on Off-Chance a close second.

A. C. Yuan laid his first hunt for the Club starting from the Monument. He took the field over White Bridge Line to the Chipco Creek Wade and then right-handed to Canal Platform. This, as its name denotes, has to be made wide enough for boats to pass through and it caused the hunt quite a little trouble. From there paper lay over Jean's Jump to Cater's Corner, Brand's Gap and Brand Line to Sinkaloon. A check then took the field towards The General's Plunge, paper being found south of the Sinkaloon Road, leading back to the Chipco Creek. The hunt ran off paper here, but eventually picked it up over Brand's Essence and left handed towards Culbertson's Chasm. After Sparke's Dip, a new platform in the creek at Pearce's Elbow took us eastwards to the Three Tree Wade, followed by another small wade and a check towards Yvonne Pollock's line. We found again near Potter's Rubicon Platform and from there made our way to the wade in Potter's Line.

Field Well Bunched

The whole field, as so often happens in "Y" hunts, was well bunched at this point and, galloping down Potter's Line, it appeared as though anyone of a dozen could win. The run in lay over White Bridge Line to the monument the finish being at the 3rd Jump on Monument Line.

Clark on Bagshot was leading comfortably at the last jump but pecked so badly that both Eric Moller and Duncan Fraser were able to press him before he reached the flags. Every pony on the card could, in hunting circles, be termed first-class and considering the difference in weight, Cornell Franklin was unlucky to finish seventh on Steve Brodie, thus missing his heavyweight. This will probably be the last "Y" hunt of the season and Steve Brodie has yet to qualify for the Challenge Cup. Speaking of the Challenge Cup, it will be interesting to see how Bagshot jumps the course. Whilst he is in a class by himself as a race pony, he can scarcely win unless he can be taught to jump freely.

The card read as follows:
1. Eric Moller on Saucyflight
2. Duncan Fraser on Off-Chance
3. A. F. Clark on Bagshot
4. Miss Yvonne Pollock on White Sale
5. E. Arnold on San Carlo
6. D. E. Kermode on Port Bradda

Shanghai Rugby

French Forces Beat Club Team

Shanghai, Feb. 2.

In a rather scrappy rugby encounter at the Race Course yesterday afternoon a French Forces "B" XV narrowly defeated the Club Vice-Captain's team by three points (one try) to nil. Of the Club selected side only nine players put in an appearance with the result that six members had to be picked up from the pavilion and touchlines to make up the requisite number. Neither fifteen displayed much initiative and for very long periods the ball travelled backwards and forwards across the field in an aimless sort of manner.

Light Horse Hold Point-to-Point

Shanghai, Feb. 3.

A field of 22 faced the Starter yesterday morning for the Light Horse annual Point-to-Point which was postponed from January 12. The field was amply compensated for the postponement by having first class going. Starting from the half-a-minute mark Tpr. R. J. Sheppard, on Hung Mah, galloped home the winner in the exceptionally fast time of 17 minutes and 12 seconds. He was closely followed by Tpr. Kattendyke, riding Nidd, from the minute mark while Tpr. Johnston Hoerter filled the third place on Black Magic.

Cpl. Abbott, on Bobby, would have been assured of third place had he not run into bad luck and fallen at the finishing jump.

Tpr. Woodhead was among the first away and held his lead until Hyde Park corner when Abbott took the lead which he held until the Monument Jump. Coming down Siderdyke Lane, the first time the field had begun to close up on the leaders and were fairly well bunched. After Springfield's platform, Tpr. Sheppard and Tpr. E. B. Moller, who started from scratch, began to come through, and approaching it, it was obvious that barring a mishap these two were bound to figure prominently at the finish. All this time old Nidd, who won the event way back in 1932, was making full use of his minute start and pressing his stable mate Bobby, last year's winner.

At the Monument Jump Bobby was still leading but was quickly passed by Moller on Mist, who came down at the Twin platform and brought the former down with him. At this point Tpr. Sheppard and Tpr. Kattendyke ran into a convincing lead, and although Tpr. Moller and Cpl. Abbott were quickly up both failed to reach the finish. Tpr. Moller came down heavily at the first jump of the Light Horse finish and Cpl. Abbott at the last jump.

Lt. A. E. Arnold would have been assured of a place on the card but had not allowed for the falls among the leaders and turned back to Tpr. Moller who, with his pony, appeared to be badly out. Fortunately, however, without serious effect to either rider or pony. The rest of the card was filled by 2nd Lt. W. B. Hughes on Steel King, a winner two years ago, Tpr. Kay-qn Peach Pie and Sergt. Robinson on his grey mare.

After the race members and friends of the Light Horse gathered at the home of Capt. and Mrs. H. Maitland who were "At Home". Prizes for the Point-to-Point and for the Section Ride, held on Tuesday, were presented to the winners.

American Troop Point-to-Point

Shanghai, Feb. 3.

The annual Point-to-Point race of the American Troop was held yesterday morning and resulted in a narrow triumph for Tpr. A. V. Striker who rode his pony Petruska to beat Capt. N. F. Allman, on Bull Run, by the bare margin of half a length. Following closely on the heels of Capt. Allman was Cpl. George Lacks on Glen Mulick while Cpl. Clarke was fourth, riding Highland. These four riders finished in a fairly tight bunch and from a distance it appeared to be anyone's race. Tpr. L. R. Moore on Nokomis and Cpl. Mandelert on Cheeky, trailed some distance behind the leaders to fill the fifth and sixth berths on the card respectively.

The going was almost perfect while the sun did everything to help to make the ride the success that it was. With the country in fine riding condition the pace yesterday was not lacking and the winner completed the course, which is roughly five miles, in the good time of 18 minutes and 5 seconds. The course used was identical to that of last year, starting at the Hospital Finish, behind the Sanitarium, and finishing at their own finish, the American Troop Finish.

Following the ride Captain and Mrs. N. F. Allman were "At Home" to members of the Troop and their friends who gathered to congratulate the winners. Mr. Lockhart, the American Consul in Shanghai, presented the Cup to Tpr. Striker, as the winner of the Point-to-Point event and prizes to the winning section of the Squad Ride held on Tuesday.

The close finish witnessed in the race yesterday appeared to indicate that the handicapping this year has been exceptionally well done as the first four riders on the card were tightly grouped when approaching the last jump.

Only 12 competitors took part in the race and grief was nearly absent. Tpr. J. C. Williams ran into a bit of bad luck when he came a cropper at the last jump when he was assured of the fourth place on the card.



Inter-School Soccer Champions

Pictured above is the College Municipal Français XI which won the senior division of the inter-scholastic football league this year.

Chinese New Year Golf Results

Shanghai, Jan. 31.

Favourable weather over the past week-end made conditions almost ideal for winter golf, the one drawback being a slight chilly wind which bothered a few of the players. However, in spite of this quite a few turned out to enjoy their favourite pastime and to participate in the various competitions which were held during the Chinese New Year holidays.

On January 27, the stronger and the weaker sexes both indulged in Tombstone Competitions. The winner in the first instance was Mr. P. Isherwood, who finished about 70 yards from the 18th green. In the Ladies Section the winner was Mrs. J. Grubb, who "died" only about one foot from the 18th hole, while Mrs. Enid Germ was a close second, finishing within a few feet of the winner.

Between January 25 and 29 inclusive, a Points against Bogeys competition was held in both the "A" and "B" Classes, the results of which are as follows:

"A" CLASS				
	Score	H'cap	Nett	
A. Pratt	28	6	34	
A. Cowder	29	6	35	33%
W. H. B. Rigg	29	3	32	
W. W. Jourdan	29	9	29	
K. E. Graham	29	7 1/2	27 1/2	
"B" CLASS				
D. C. Berger	20	10 1/2	30 1/2	
A. L. Piper	20	12	32	
L. A. McCaskey	17	13 1/2	29 1/2	
B. C. Allan	12	18	30	

Nicky Wan T.K.O.'s Filipino in Manila

Manila, Feb. 2.

Shanghai's Nicky Wan, 182 pounds, last night successfully made his Manila debut by technically knocking out Manila's Young Schmeling, 190 pounds, in the eighth round of a scheduled 10-rounder.

Wan's victory won for him local recognition as heavyweight champion of the Orient.

Schmeling towards the end of the eighth round turned to the referee and asked him to halt the fight when Nicky turned the Filipino fighter into a veritable punching bag.

The fight was slow during the first five rounds, which Nicky won by a slight margin. However, it assumed stormy proportions when the Shanghai Russian-Chinese had started slugging, cutting Schmeling's forehead, which bled profusely.

Wan is Knocked Down

Apparently enraged, the Filipino started swinging wildly. One blow caught Wan on the jaw and knocked him down for the count of three as the bell ended the round. After the intermission, Nicky completely out-boxed the Filipino until Schmeling quit.

The fight was billed as a heavy-weight titlist match, since Schmeling claimed the crown on the retirement of Luis Logan, who took the title by defeating the American Jack Roper. This was Logan's first venture as a fight promoter. The bout was attended by 3,000 fans.—United Press.

Captain C. S. Franklin was forced to pull out of the race when his shoulder, which he injured in a fall in a hunt a week ago, began to hurt. Sergt. R. C. Phillips had one of the most trying rides as his mount had a rather mule-ish disposition and needed a lot of coaxing before taking any obstacle. But it seems that Sergt. Phillips was equally as determined, and insisted on completing the course, which he did.

Pastor May Meet Louis for Title

New York, Feb. 3.

Mike Jacobs, fight promoter, announced last night that Bob Pastor might meet Joe Louis for the world's heavyweight title in Los Angeles on April 15.

Jacobs said that Pastor would be matched to meet the champion in Los Angeles unless Arthur Godoy immediately withdraws his request for the postponement until early May of his scheduled clash with Louis in Los Angeles.

Jacobs meanwhile announced that he had matched Lou Nova and Max Baer for a 15-round challenger battle in New York's Madison Square Garden on April 4. The winner will meet Louis for the title in September. Louis said.—United Press.

Shanghai Golf Club

Shanghai, Feb. 4

The February Monthly Cup of the Shanghai Golf Club, in both "A" and "B" classes, was played for, over Saturday and Sunday at Seekingiao. The weather was again ideal for golf, and quite a number of players returned good cards.

The results follow:—

"A" CLASS				
A. Pratt	83	8	75	
W. M. Chalmers	87	10	77	
H. H. Cameron	90	12	78	
T. S. M. Terrace	84	5	79	
"B" CLASS				
B. W. Smith	86	14	72	
S. Jenkins	93	20	73	
W. A. Hathaway	91	16	75	
A. L. Piper	93	10	77	
W. J. Brown	95	18	77	

JANUARY MONTHLY BOGEY

"B" CLASS				
P. Isherwood	Two down			
D. C. Berger	Three down			
A. D. Denton	Four down			
LADIES SECTION				
Mrs. J. M. Pearson	Seven down			

Louis Knocks Out Burman

New York, Feb. 1.

The youth, aggressive spirit and fighting heart of Clarence "Red" Burman failed to overcome the stunning force of blows delivered by Joe Louis and the youthful American ended his bid for the world heavyweight title in the fifth round, writhing on the canvas last night, the thirteenth unsuccessful challenger.

A terrific right smash to the midriff 2 minutes 49 seconds after the start of the fifth round sent Burman crashing to the Madison Square Garden canvas, and the referee tolled the fatal count. It was the first time that the "Brown Bomber" knocked out an opponent with a blow to the stomach.

Burman, former chauffeur to Jack Dempsey, ex-world heavyweight champion, made a gallant attempt, but lacked the necessary power. He lasted but one-third of the scheduled 15 rounds.—United Press.

Rugby Union Results

London, Feb. 2.

Following are the results of matches played in the Rugby Union yesterday: Guys Hospital 31, London Hospital 3; Rosslyn Park 37, Army XV 3; Aldershot Command 3, St. Thomas' Hospital 6; Cambridge University 13, Bedford 15; Gloucester 9, Army XV 6; Oxford University 31, Kings College Hospital 13; Bath 3.—Reuter.

SHANGHAI LAW REPORTS

H.M. Police Court

Indian's Death

INQUEST ON SANTA SINGH

Before Mr. C. H. Haines, H.M. Coroner (Adjourned)

Shanghai, Feb. 2.

An inquest was opened at the General Hospital yesterday by Mr. C. H. Haines, H. M. Coroner on the body of Santa Singh, an Indian. Evidence of identification was given by Arjan Singh, Sikh detective constable 528 attached to the deputy commissioner of the Sikh branch of the Municipal Police. The proceedings were adjourned to Thursday next at 2.30 p.m. in H.M. Police Court.

Second Special Court

Diplomatic Immunity Claimed

Shanghai, Jan. 31.

Diplomatic immunity was claimed by M. Paul Premet when appearing before Judge Tsu in the Second Special District Court in the French Concession yesterday for the defence of Mr. Jan Seba, Minister for Czechoslovakia, charged in a private criminal prosecution with alleged assault on Mr. A. G. Pisarevsky, manager of the Skoda Works Ltd., at the French Club during the New Year ball, early on the morning of January 1. The case was adjourned indefinitely. Named as co-defendants in the action were Mrs. Seba and Mr. Seba, Jr., who Mr. Pisarevsky declared kicked him after he had been knocked down.

Not one of the defendants was present in court. An array of Chinese and foreign counsel appeared for the parties concerned, including M. d'Auxion de Ruffe and Mr. Penkote for Mr. Pisarevsky.

Called to the witness-box Mr. Pisarevsky declared that he had been brutally assaulted and stated that differences arose between him and Mr. Seba long ago which, he said, prompted Mr. Seba to attack him at the French Club.

Continuing he said that Mr. Seba was expelled from the Czechoslovakian Circle here, an association representing the local Czech community, because of a "provocative attitude" against various members of the Czech community, including witness. For months, witness said, Mr. Seba was making a lot of trouble for him and the members of the Circle concerned and had shown animosity towards him.

In reply to the judge witness said Mrs. Seba and Mr. Seba, Jr., also took part in the assault and said he was hit on the face, arm and various parts of the body. At the suggestion of the French Police, he explained, he went to the St. Marie Hospital for treatment. The police, he said, would be able to produce a medical certificate showing the extent of the injuries sustained by him.

Upon Mr. Penkote stressing the absence of all three defendants, M. Premet asserted that he would produce documentary evidence to show that Mr. Seba is the Czechoslovakian Minister and as such was subject only to international law applicable to diplomatic representatives. Counsel declared that his client was entitled to diplomatic immunity.

At this juncture M. d'Auxion de Ruffe submitted that Mr. Seba was formerly the Minister for Czechoslovakia, but is at present employed by the French Municipal Council, while Mrs. Seba and Mr. Seba, Jr., counsel argued, could not very well contest the jurisdiction of the court or claim immunity in any way.

M. Premet then argued that it was for the court and not for counsel in the case to decide whether or not Mr. Seba still is the Minister for Czechoslovakia and the more important question regarding his immunity. Mr. Seba still retained the title of Minister for Czechoslovakia, M. Premet submitted, and submitted that the Czechoslovakian government was still in existence and its recognition and that of Mr. Seba, its duly accredited Minister, counsel declared, were matters left entirely to the discretion of the Wang Ching-wei regime.

After characterizing the prosecution as an absurd action instituted to vent "personal differences of opinion" and to air personal grievances in court, M. Premet suggested that Mr. Pisarevsky had not been hurt at all, and went on to declare that apart from being the holder of a Czech passport he was not a real Czech but a Jew who had no right to represent Czech interests in Shanghai. On the other hand counsel contended, Mr. Seba still was being acknowledged by the French and other authorities here as the Minister for Czechoslovakia.

M. d'Auxion de Ruffe then replied by arguing that Mr. Seba could not be the Minister for Czechoslovakia and an employee of the French Municipal Council concurrently, and went

on to say that he had resigned from his post after the arrival of the Nazis and was no longer Minister, having transferred the Legation to the German Consul-General. While admitting that he still retained the title of Minister for Czechoslovakia, counsel suggested that it was no more than a courtesy title devoid of political and actual significance. Counsel insisted that his client had been seriously hurt, declaring that this will be fully borne out by the medical certificate which will be produced by the French Police.

Counsel went on to say that the diplomat resigned from his post on March 17, last year, and had advised the Chungking Government that he was no longer the diplomatic representative of Czechoslovakia in this country. Apart from being treated at the hospital, counsel added, Mr. Pisarevsky had seen a doctor.

In reply to the Judge Mr. Pisarevsky produced a Czech passport and declared that "Jew or no Jew", he was a Czech national. At this juncture the case was adjourned for the court to ascertain the actual diplomatic status of Mr. Seba.

First Special Court

German Jailed for Theft

Shanghai, Jan. 31.

Paul Henry Spray, unemployed German, was sentenced to five months' imprisonment by the First Special District Court yesterday for theft of photographic apparatus valued at \$600 from the studio of Mr. Oscar Seeper, 346 Szechuen Road.

The apparatus was stolen on various occasions by the accused, it was stated. Questioned by Mr. Seeper before the proceedings were brought, accused handed him three pawnshop tickets purporting to be for the apparatus, but which Mr. Seeper told the court, turned out to be tickets for articles of clothing which prisoner had also pilfered from him. Accused was arrested by Sub-Inspector Ovsiannikoff attached to the Central Station.

A Yugo-slay Sentenced

Shanghai, Jan. 31.

Charged with larceny of a motor car tyre, Jack Perkovich, an unemployed Yugo-slay, was sentenced to two months' imprisonment at the First Special District Court yesterday morning.

The accused stole the tyre from a La Saii car, owned by Dr. V. Terni, while the vehicle was stationary on the Bund, at 3.30 p.m. on Monday. He was almost immediately arrested by C.P.C. 2705 and brought to the Central police station where he confessed to the crime, saying that he had committed it because he wanted to be sent to jail.

Gaming Establishment

Shanghai, Feb. 2.

Allegations that the gambling resort at a well known hostelry on Bubbling Well Road which was raided recently by the police was operated by a British subject were made in the First Special District Court yesterday when sixteen Chinese employees of the place were brought up and remanded on a charge of being concerned with running a gaming establishment.

One of the accused, a carpenter, was stated to have made all the gambling apparatus used in the den. The descent of the police on the establishment on January 24, resulted in the arrest of the accused and the seizure of a large quantity of apparatus and gambling paraphernalia.

Complete kitchen services were found installed in the premises it was stated, and guests were served by boys specially engaged for the purpose. A "wheel" two tables and thousands of chips were unearthed by the police in the stock room of the resort.

Mr. F. S. Fang, Assistant Municipal Advocate prosecuting told the court that the resort was established with an initial capital of \$5,000 and that most of the frequenters of the place were friends of the owner and gambling was conducted on an account system with all the guests signing chips.

SHIRTS

TOYO MURAKAMI
270 KIANGSE ROAD
SHANGHAI

OBJETS D'ART

KIMONOS PEARLS

FOREIGN TELEGRAMS

The European War, January 28.

Graziani Said Dismissed

Ankara Radio Declares Italian Army Chief Replaced by Gen. Bardi; French Co-operate

MARSHAL Rodolfo Graziani, Commander-in-Chief of Italian Armed Forces in Africa, has been dismissed, the Ankara radio reported yesterday.

General Bardi, noted for his services in Abyssinia, has replaced Marshal Graziani, the radio disclosed.

No reason was given by the radio for Marshal Graziani's dismissal but it was assumed in authoritative circles here that the Italian commander was deposed because of the defeats the Italian armies have taken throughout Africa.—United Press.

Tobruk, Jan. 28.

General Sir Archibald Wavell's Imperial Army is sweeping to the west in full force following the capture of Tobruk.

Details of its dispositions are a military secret, but it may be said that most of the remaining Italian strong points in eastern Libya are threatened.

Advanced units of British mechanized forces are meeting some resistance. Italian artillery near Derna

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Italians May Have to Quit Abyssinia

London, Jan. 28.

Italy is preparing to give up Abyssinia as the patriot revolt is expected to flare up into a general conflagration after completion of the harvest at the end of January.

This is the expectation of a member of the British military mission in Abyssinia, reported by a correspondent of the "Daily Telegraph."

The Italians, he declares, are shifting all stocks of grain from Abyssinia to Eritrea, and there is a great scarcity of food in larger Abyssinian towns.

Starving Refugees

Daily, a stream of starving refugees is pouring into the camp of the British mission, and an increasing number of Italian native troops are deserting to the British, the correspondent reports.

It is possible that the Italians may soon evacuate the lowlands on the frontier and retire to the natural ramparts of escarpments, but as the internal revolt may make even the uplands untenable, the Italians have made plans for the almost complete evacuation of Abyssinia and for concentrating all troops for a last stand in the hills of Eritrea, the correspondent of the "Daily Telegraph" concludes.

Four Front Offensive

The four-front British offensive on the Italian African empire continues at full blast.

British communiques tersely state, "Operations are progressing satisfactorily" in Libya, Abyssinia and Italian Somaliland, while British forces are closing in on new Italian positions in Eritrea, where 1,100 prisoners have been taken in the first week of operations.

British forces have struck at Italian Somaliland, and every part of Italy's African Empire is now being attacked. News of the latest operation is contained in British communiques, which also record a rapid advance into Eritrea, the concentration of British main forces round Derna, on the Libyan coast, and the bombing of Italian aerodromes further west.

Brescia Taken

British forces operating in Eritrea have captured the township of Brescia together with a further 100 prisoners. The capture not only marks a hundred mile advance eastwards from Kassala, which was retaken from the Italians a week ago, but places the terminus of the Eritrean railway line east to Massawa on the Red Sea under British control.

The British communication recording the taking of Brescia also reports progress on all other African fronts. In Libya reinforcements are being moved up to the British Imperial troops in contact with the Italians about Derna. In Italian Somaliland British forward troops continue vigorously to extend the area of their penetration into hostile territory in all sectors. In Abyssinia, in the Metemma area, British pressure continues.

R.A.F. Active

The R.A.F. gave intensive support to the British army in its successful advance east of Keru, in Italian East Africa. An R.A.F. communique states that dive attacks were made on motor transport concentrated on a road near Tella with considerable effect.

Numerous reconnaissance flights were also carried out. British fighters made active offensive patrol throughout yesterday in the Martuba-Mechali area, but no conclusive engagements with the enemy resulted. A fighter plane reported in a previous communique as having failed to return has now been located safely at Tobruk.

The landing ground at Marau, in Libya, was raised during the weekend. All bombs fell within the target area. The aerodrome at Bayce was also attacked. At Gizerabub an Italian bomber was destroyed on the ground.—Reuter.

British Nearing Agordat

Cairo, Jan. 28.

British forces are steadily advancing into Eritrea and are now approaching Italian positions at Agordat, important town on the railway leading to the Red Sea port of Massawa.

Agordat's defences mainly consist of barbed wire trenches and machine-gun posts behind stone walls or concealed among boulders dotting the plain round the town. There is no natural protection. The British threat to Barentu, south of Agordat, is also growing.

Motorized units are harrying the tail of an Italian column retreating from Ummhaggar, which was evacuated yesterday. This column, estimated at three or four battalions, is withdrawing eastwards along the Setit river.

War Supplies Taken

Besides taking over 1,100 prisoners hitherto in their push into Eritrea,

London's Freedom from Raids

Speculation Aroused Over Lack of German Air Activity; Nazis Thought Grounded by Weather

London, Jan. 28.

LONDON enjoyed its eighth successive night of freedom from German raiders up to an early hour today, while no Nazi planes were reported throughout Britain.—United Press.

London, Jan. 28.

A number of German prisoners have fallen into British hands since Thursday, 16 of whom are navy men.

It is recalled that on Saturday, a German communique reported that an air-boat has been "in contact with the enemy in the Channel."

A German bomber which crossed the east coast yesterday afternoon was shot down after it had dropped bombs which killed several people, according to a communique issued by the Air Ministry last night.

Earlier in the day, a German bomber had dropped bombs on a town on the north-east coast, injuring a few persons.

Early yesterday morning, one or two German machines crossed the east coast, possibly on reconnaissance, and left again within a few minutes. No bombs were dropped on Sunday night.

Three Possibilities

Three possible reasons were advanced yesterday for the lull in German air activity over Britain, which led to London enjoying its first week

Princesses Visit R.A.F. Station

London, Jan. 28.

The Princesses Elizabeth and Margaret Rose paid their first war-time visit to a Royal Air Force Station yesterday. They were accompanied by the King and Queen.—Reuter.

without a raid since September, says Reuters' Air Correspondent.

The possible reasons are in the order of credibility:

1. Bad weather on the continent.
2. Germany's two-front war; and
3. Reequipment and resting.

There can be no certainty as to the causes, but the above reasons commend themselves in well-informed quarters, where there is no belief that the present inactivity is in any way mysterious.

The Low Countries and France are drenched by a thaw following the recent sharp frost and snowfall. Many of the German advanced bases are probably flooded and others temporarily unserviceable. The weather on the other side of the English Channel in the past week has been most unfavourable for flying. Seventy-five per cent of German inactivity may be attributable to this factor.—Reuter.

Hanover Raided by British Bombers

London, Jan. 28.

Two large and several small fires were started when a small force of R.A.F. bombers successfully attacked industrial targets in Hanover early yesterday morning, states an Air Ministry communique.

None of the aircraft is missing, it is added.—Reuter.

British Bomb Narvik

Stockholm, Jan. 28.

British bombers again attacked the Norwegian port of Narvik and damaged quays, according to the Kiruna Correspondent of the Swedish newspaper "Aftonbladet."

The raid, he says, was the third carried out on the port so far this year.—Reuter.

Germans Admit Bombing

Berlin, Jan. 28.

Taking advantage of favourable weather conditions a number of planes penetrated into northern and central Germany yesterday morning, the official German news agency states.

They dropped incendiary and high explosive bombs at several points, the news agency says, adding: "According to reports so far to hand no important damage was caused."—Reuter.

British forces are learned to have captured a certain amount of material, including a fair number of lorries and some guns.

On the Kenya front, the Italians, who three or four weeks ago were at many points within the Kenya border, now generally have been forced back some distance on the other side. It is stated that to all intents and purposes no Italians remain in Kenya territory.

South Africa's East African and West African units are engaged in patrol work in this area.—Reuter.

Lord Halifax Says Britain Ready

Washington, Jan. 28.

Viscount Halifax, new British Ambassador to the U.S., in a conference with newsmen, said yesterday "I have never seen British opinion so united and unanimous as at this moment."

"This is a true reflection of a unity which runs right through the country," Viscount Halifax declared.

The new Ambassador said he had had a wonderful start at his U.S. post with "President Roosevelt's generous act of meeting me aboard ship."

Viscount Halifax said Britain would give Germans attempting to invade the British Isles "a very good reception."

"We Are Prepared"

"I can tell you with complete confidence that we on our side are prepared to give them a very good reception," Viscount Halifax said.

"Many people who know most about it would be very glad to see him try it."

The Ambassador's comment followed a request to elucidate an earlier comment that Chancellor Hitler already had missed his best opportunity for invasion.

"I am always trying to look at it from Hitler's point of view. I can imagine him being advised by his experts that it would be hazardous until he gets command of the air—which he has not got and isn't going to get."

"Must Try Invasion"

Viscount Halifax said on the other hand he imagined Chancellor Hitler felt he must try invasion.

At the moment of the French collapse and after Dunkirk, England was short of equipment, but "we lost no time in re-equipping," he said. He was generally reassuring concerning Britain's military situation and said Britain's Libyan victories had a great strategic effect on the Near East.

He also praised the Greek military performance.—United Press.

Presented Credentials

Washington, Jan. 28.

The usual formalities for the presentation of credentials to the President will be omitted in the case of Lord Halifax, the new British Ambassador to the United States.

Stating this to the press yesterday, President Roosevelt's secretary, Mr. Stephen Early, said the White House and Department of State presumed the presentation of credentials had taken place when the President met Lord Halifax three days ago.—Reuter.

South Africa Building Up Military Strength

Capetown, Jan. 28.

When the Union Parliament re-opened yesterday, the Minister of Finance, Mr. Hofmeyr, revealed that £14,000,000 will be required for defence, in addition to about £60,000,000 already spent on defence this financial year.—Reuter.

Pretoria, Jan. 28.

The South African Air Force is immediately to undergo considerable expansion, according to an official announcement.

Several thousand pilots are required.

Conditions of service of air pupils have been broadened in the light of recent experience, and it is anticipated that under the new conditions immediate requirements will be quickly recruited.—Reuter.

Italian Prisoners to Work in England

London, Jan. 28.

Italian soldiers captured by the British in Libya will be sent to Great Britain, in order to work on the land, the "Daily Telegraph" reports. The object of this measure, the newspaper says, will be to relieve the shortage of agricultural labour.—Reuter.



Drive East

Britons also are driving east, through Eritrea from the Sudan. During the last few days their drive has taken them far across the border on the heels of Italian forces in headlong flight. Following the capture of Kessala, western terminus of the strategic railway line to the Red Sea port of Massawa, British forces yesterday were reported to have approached Agordat, next important town along the line, taking over 1,000 prisoners and quantities of valuable war supplies. While revolt continued to brew in Abyssinia, African troops engaged in patrol work in Kenya were stated to have cleared the border of Italian forces.

is intermittently shelling the road from Tobruk along which British infantry columns are moving to the support of the advanced units.

The battle moves on with unbroken regularity. While British planes continue constant patrols over enemy territory the Italian air force, which has been almost completely absent since the fall of Bardia, remains on the ground.

Tobruk Battered

A captured Italian pilot said today that long rows of machines on aerodromes to the rear had been put out of action by British bombers. Tobruk itself suffered severely under bombardment by the Navy and R.A.F. From the minaret of a mosque which almost miraculously escaped damage a panoramic view of the town showed that hardly a building was unscathed. Barracks, the naval headquarters, radio station and fortifications all bore witness to the concentrated fury of the British attack.

From the harbour uphill towards Italian gun positions the impression is given that thousands of tons of concrete have been crumpled by a mighty earthquake. One of four naval gun-mounds in Pilsen in 1917—had received a direct hit. In the centre of the fort was a huge crater caused by thousand-pound bombs. The place reeked of cordite and smouldering timber.

Mystery still surrounds the fate of General Berganzoli, who was at the time reported to have escaped from Bardia at the last minute in a rowing boat.—Reuter.

French Forces Cooperate

Free French troops cooperated brilliantly in the capture of Tobruk, a communique issued by the Headquarters of General de Gaulle, Leader of the Free French Forces, announces.

Free French forces penetrated four miles into enemy positions, the communique says.—Reuter.

Fierce Fighting

The weekend was marked by fierce fighting in Albania, with both sides using heavy artillery.

Between the Skumba valley and the town of Pogradetz, on the shore of Lake Ochrida near the Yugoslavian frontier, artillery duels continued unceasingly throughout yesterday.

Italian shelling in the Sevoit valley was accompanied by fierce but unsuccessful attacks on Greek positions. But little is known of the line north of Pogradetz and Elbasan, strategic base in central Albania.

Patrols Clash

Local patrols clashed in the region of the river Negos, while in the Ostronita mountains artillery bombardments were carried on, but there was little other activity.

Italian bombers made heavy raids on Greek positions in the entire front line and on "back areas" behind the Greek lines. Attempts were made to bomb roads conveying supplies.

On the other hand, British bombers launched a successful attack on Italian communications. An Italian military camp was bombed and direct hits scored.

Italian fighter planes attempted to intercept the British warplanes, but despite this and heavy anti-aircraft fire all British planes returned safely to their bases.—Reuter.

Italians Bomb Own Troops

Athens, Jan. 28.

Italian counter-attacks were repulsed by Greek forces, the Athens Radio reports, and a number of prisoners and Italian war materials were captured by the Greeks.

The Italian Air Force bombed their own troops in the confusion, the report adds.

The Greek air force, has destroyed six Italian planes, according to a communique issued here.

There were operations on a limited scale on Saturday.—Reuter.

Germans Evacuating

Rome, Jan. 28.

German residents in Greece are evacuating to Bulgaria, the Italian press reported today.—Domei.

U.S. Transport Sinking

San Francisco, Jan. 28.

The United States Army transport Kivchaka late yesterday sent out S.O.S. messages, heard here, that it had struck "Sisters rock," midway between Seattle and Ketchikan, and needed help badly.

The Coast Guard cutter Namana was speeding at full steam to the rescue but not expected to reach the Kivchaka, 1,200 tons, until 1 p.m. today.

Coast Guard officials were not sure whether the Kivchaka carried troops.—United Press.

Swedish Ship Passes Raider

Vessel Believed Shelled Off Southern California ;
Distress Call Picked Up ; Plane to Search

THE Swedish ship, Oscar Gorthon, yesterday passed a raider in the Pacific in the vicinity of the Ladrone or Marianne islands, which are under Japanese mandate and situated east of the Philippines, according to a reliable message intercepted here from the Swedish merchantman.

The message read: "At 1 p.m. January 27, ship's time, at latitude north 18.7 and longitude 146.76, passed raider with guns and painted black, with prizes."—Reuter.

"Distress Call"

Los Angeles, Jan. 27. A distress call from an unidentified vessel, which said it was being shelled by a raider 900 miles off the Southern California coast, was intercepted last night by the United States Coast Guard.

"We are being shelled by a raider," the brief message said. Coast Guard radio operators were unable to re-establish contact with the vessel.

The mystery ship was said to have given the call letters "KFBI" which at one time were assigned to the steamer Arcadia but were later cancelled.

The United States Navy and Mackay Radio also reported intercepting the distress call. Mackay Radio operators believed the distress call was a hoax, however. They pointed out that the call letters KFBI had not been assigned to another ship.

The Coast Guard immediately dispatched the cutter Hermes to investigate the alleged raider attack.

The U.S. Navy version of the distress call differed from that announced by the Coast Guard. The Navy version said, "S.O.S. Shelled by unknown man..." Navy operators said the message might have been cut off while attempting to report "man-of-war." The S.O.S., they said, indicated a submarine attack.

The speed of the Hermes is 22 knots. Consequently, it will require two days to reach the scene of the reported attack. The Hermes carries one three-inch gun, two one-pounders and a crew of about 25 men.—United Press.

Plane to Seek Raiders

San Diego, Calif., Jan. 27. The Australian flying boat which arrived in Honolulu yesterday is on a mission which will include efforts to locate German raiding ships in the Pacific, reliable but unofficial quarters reported here last night.

The Australian plane was camouflaged and carried a circular yellow, blue, white and red insignia on its fuselage.

Other American members of the crew were Robert Jones, radio operator, and R.E. Hastings, flight engineer. Remaining Australian members of the crew were Captain L. G. Brain, Captain C. V. Allen, E. R. Wright, chief engineer, W. Richman, assistant engineer R. Patterson, radio operator, and J. W. Bemrose, assistant radio operator.

The plane is expected to proceed to Australia after a brief stop-over here. Australian members of the crew registered at a local hotel, indicating that they were not leaving immediately.

Capt. Taylor said he could make no comment on the trip "because my country is at war." He said he was most interested at the moment in finding a bath and getting some sleep.—United Press.

Gen. Wavell's Visit To Greece Confirmed

London, Jan. 28. A report from Istanbul that Gen. Sir Archibald Wavell, Commander-in-Chief of British forces in the Middle East, recently visited Athens, is confirmed in authoritative circles in London.

The visit, it is stated here, was "for the purpose of conferring on certain aspects of the aid which Great Britain has been giving, and is continuing to give, Greece in her resistance to Italian aggression."—Reuter.

Vichy Ministers Made Directly Responsible

Berlin, Jan. 28. The responsibility of Ministers and high officials to the head of the State in unoccupied France is decreed by an Act of Constitution issued by Marshal Petain, according to a Vichy message to the German official news agency.

The new Act introduces a "further principle" into the State structure. The Act is retrospective, and its general trend is to render Ministers and officials and former Ministers and

Willkie Talks with British Leaders

London, Jan. 28.

Mr. Wendell Willkie's first day in London yesterday was crowded with activity.

An hour's talk with the Foreign Secretary, Mr. Anthony Eden, was followed by luncheon with the Prime Minister, Mr. Winston Churchill, to whom the former Presidential candidate delivered a personal message from President Roosevelt. Later, he saw the Minister of Labour and National Service, Mr. Ernest Bevin.

After receiving representatives of the British, allied and neutral press at the Ministry of Information early in the morning, Mr. Willkie made a quick tour of the devastated area around St. Paul's Cathedral and through the ruins of the Guildhall.

Talking to a Reuter reporter last night of his day's doings, Mr. Willkie, referring to his lunch with the Prime Minister and Mrs. Churchill, said Mrs. Churchill was most charming. It was his first meeting with the Prime Minister and they talked for an hour and three-quarters on the international situation, the war and Anglo-American relations.

Long Talk With Bevin

Referring to the hour he had spent with Mr. Bevin, Mr. Willkie said: "He is a grand fellow. We liked each other so much that I made him late for a Cabinet meeting. Our talk was about labour conditions in England and production in England—what is being done and will be done."

Dealing with his visit to the devastated area in the City, Mr. Willkie described the Guildhall as a "terrible sight, with all historic treasures." Once he spoke bitterly when he recalled the devastation round St. Paul's.

"Grand People"

Mr. Willkie expressed astonishment at the way raid damage was being dealt with, and said: "They are grand people, and find their spirit magnificent. I like their nerve. I have not so far met anybody who is downhearted."

His first experience of a blackout was gained on Sunday night when he stole out of his hotel into the void. "Like walking in a cemetery," he commented when asked what he thought of it.

Mr. Willkie stated he did not propose to visit any other country during his fortnight's visit, but he hoped to visit Eire and see Mr. Eamon de Valera, the Eireann Prime Minister.

In this connection, Mr. de Valera commented in Dublin yesterday: "I would be very pleased to see him." It is understood, Mr. Willkie may go to Eire next week.—Reuter.

Willkie Meets Lord Stamp

London, Jan. 28.

Mr. Wendell Willkie, who has expressed a desire during his visit to Britain to meet leaders of labour and industry, followed an afternoon interview with Mr. Ernest Bevin by dining with Lord Stamp.

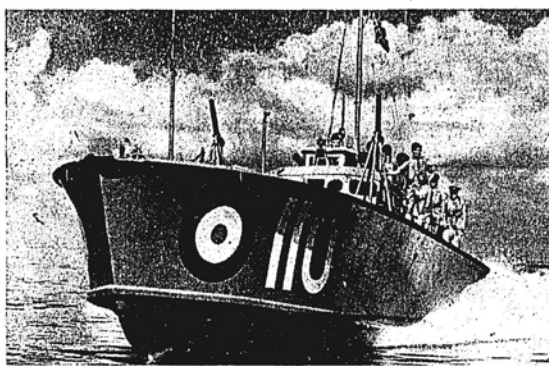
Lord Stamp, who is President of the London, Midland, and Scottish Railway and a director of the Bank of England, is in a specially advantageous position to give Mr. Willkie a comprehensive picture of Britain's economic situation, as he has also been acting since the beginning of the war as Economic Adviser to the Government.—Reuter.

Eire Pleased

Dublin, Jan. 28.

The greatest satisfaction is expressed here that Mr. Wendell Willkie is to visit Mr. Eamon de Valera. An opportunity for the distinguished United States visitor to see Eire in present circumstances and to draw his own conclusions based on personal observation is considered helpful both nationally and internationally.—Reuter.

Officials directly responsible to the Chief of State for all their actions.—Reuter.



The R.A.F. "Navy"

Most valuable work is being done around the shores of Britain by R.A.F. high speed launches, which are equipped with radio, medical and life-saving apparatus. One of these launches is shown above.

The European War, January 29.

Italians Halted in Retreat

Indications Point to Final Effort Against British in Eritrea ; Free French Active

Cairo, Jan. 29.

AFTER their hasty 100-mile retreat into Eritrea from the Sudanese frontier, there are signs that the Italians finally have decided to offer resistance at Agordat, an important town on the railway running to the Red Sea.

British motorized forces and infantry are meanwhile closing in on the Italian positions in the plains around the town. It is thought that the speed of the Italian withdrawal may have resulted in some disorganization among their forces especially as evidently they have been pushed back further than they originally intended.

An Italian column numbering 1,500 to 2,000 is streaming east from the frontier post at Umm Hagar, in the southwest corner of Eritrea and is stated to be in a decidedly uncomfortable position. It continues to be pushed by British mobile units as it retreats along the single road on the bank of the Setit River near the Abyssinian frontier.

French Destroy Aerodrome

While British Imperial Forces were carrying all before them in their drive along the Libyan coast, Free French troops, it is learned, carried out a daring and successful raid on a strategically important group of oases in the heart of the Libyan Desert.

In the middle of January, a small free French force, drawn from crack camel corps and equipped also with mechanized transport which secretly had assembled behind the frontier of French Equatorial Africa, began a 300 mile journey across desert wastes.

They were moving up for an attack on Murzuk, the capital of the oases at Fezzan, which the Italians were using as an air base to keep watch over free French territories in Equatorial Africa.

Travelling nearly 100 miles a day, the French force escaped observation from the air and took the Italian garrison completely by surprise.

French Outnumbered

The Italians were 500 strong and the French troops, consisting of soldiers from Tibestie and Taureg Saharan tribes under French officers and non-commissioned officers, commanded by Lieut-Colonel Colonna Dornano, were greatly outnumbered. Nevertheless, the Italians immediately withdrew into their fort in the centre of the town leaving the free French to destroy at will the aerodromes, hangars, workshops and other installations, together with a number of aircraft on the ground.

The French carried on the work of destruction unhindered throughout the day, while the Italians remained behind walls of the fort.

The French withdrew at nightfall their work finished, but Lieut-Colonel Dornano had fallen a victim to a sniper's bullet.

There were few French wounded and, they brought back a score of Italian prisoners.—Reuter.

Offensive Gains Weight

Cairo, Jan. 29.

Free French forces, in a lightning raid from the Lake Chad frontier, sacked the Italian-held Murzuk oases, south of Tripoli, and destroyed the airport there, it was learned yesterday.

Thus the multiple-pronged attack against the Italians in Africa assumed even greater proportions. The Italians now were feeling offensives of the British, led by Australians, in northern Libya, the British in Eritrea, the British and Abyssinians in Ethiopia, and the French in the interior.

British forces yesterday continued to press the retreating Italians in Eritrea, while other troops were concentrating in northern Libya for the

push against Derna, next important Italian outpost, the General Headquarters communicate said.

"Progressing Satisfactorily"

In Eritrea, "while operations in the Agordat and Barentu areas are progressing satisfactorily, our mobile troops continue to press the Italian forces retreating from Umm Hagar," the communicate said.

A further 100 prisoners were captured, making the total more than 1,200 today.

"In Libya, the concentration of our forces in the Derna area is continuing."

No report was made on operations in Ethiopia.

The Free French camel corps and mechanized forces crossed 800 miles of desert to strike the Italians on the new front at Murzuk.—United Press.

Italy's Main Base in Albania Bombed

Athens, Jan. 29.

A successful raid on Elbasan was reported in a Royal Air Force communicate issued by the headquarters in Greece which states: "Bomber aircraft of the R.A.F. successfully raided Elbasan, Italy's main base in Central Albania."

"A number of high-explosive bombs were observed to fall amongst military buildings in the town and, as the formation left, the area was seen enveloped in smoke. Considerable damage must have been caused."

"Anti-aircraft opposition was encountered, but all aircraft returned safely."

Minor Successes Claimed

An Italian attack with armoured cars was repulsed by the Greeks on Monday; four armoured cars were destroyed, according to a Greek communicate.

Some enemy positions were occupied by Greek troops, who also captured 90 prisoners and automatic weapons.

Florina Bombed

A railroad at Florina on the Albanian frontier was severely bombed, and attacks were especially concentrated on the railway station leading to Salonika, and on aerodromes.

These attacks were carried out by heavier formations than on previous occasions.

British and Greek planes were also active in the rear of the Italian forces in Albania, attacking reserves and communications. Fighting was fiercest over the source of the River Skumbi. British fighting planes engaged three Italian bombers, which flew off at great speed towards Elbasan, one of the bombers being badly damaged.

Two Italian aircraft were brought down by anti-aircraft fire, a Greek communicate announced.

The Italian Air Force bombed a military hospital at Salonika, the

Daylight Raid on London Driven Off

London, Jan. 29.

London last night enjoyed its ninth consecutive raid free night after the German air force yesterday afternoon apparently attempted to stage the heaviest daylight assault since September, but was driven off by the R.A.F. and ground defences.

German warplanes attempted to attack London's suburbs, dropping high explosive and incendiary bombs but were foiled in the attempt.

The Ministries of Air and Home Security dismissed aerial activities over England yesterday and last night in a brief communique.

"During last night there was slight enemy activity off our west coast but no bombs were reported," said the communique.—United Press.

Trickle of Planes

London, Jan. 29.

The German Air Force sent a steady trickle of planes over eastern and south-eastern counties of England yesterday after leaving London and most of Britain severely alone for eight consecutive nights and almost all of the intervening hours of daylight.

The Air Ministry communique issued yesterday evening states: "A number of German aircraft crossed the south coast and have flown over south and east England during this afternoon (Tuesday)."

"They dropped a few bombs but no important damage was reported and there were few casualties."

"In the morning, an enemy aircraft dropped several bombs at a point on the south-east coast causing a few casualties."

It is believed that some of the lone raiders were fulfilling the purpose of reconnaissance and to report on the weather.

Four "Alerts" in London

The London area had four alerts. After the third, a basket of incendiary bombs fell in one district. Trolley buses were held up while wardens, police and civilians, benefiting from their experience of recent fire-raising attempts by night, quickly put out the incendiaries with sandbags conveniently resting against lampposts and at street corners.

Several high-explosives were dropped in a residential area and considerable damage was done to houses, but there were no serious casualties other than one woman killed while walking in the street.

The first air-raid warning since last Thursday was sounded in the London area yesterday morning. The all-clear was given half an hour later.

A communique issued by the Air Ministry and Ministry of Home Security stated: "There is nothing to report."

South-west Raided

Enemy planes were in the vicinity of two towns in south-west England and one in South Wales for a brief period shortly after dark last night but no incidents were reported. The rest of Britain was free from raiders, and up to an early hour this morning London had no night warning.—Reuter.

Heavy Daylight Raid

London, Jan. 29.

German raiders, as if making up for lost time, yesterday staged the heaviest daylight raid on London since September.

The German warplanes, however, were concentrating on the suburbs, where they unleashed mainly high explosives and incendiary bombs.

No German raiders were reported over Britain last night and early today, however.

London had its ninth raid-free night, although gun-fire was heard briefly in one London area.—United Press.

Fleet Air Arm Sinks Italian Craft

London, Jan. 29.

Some time before the attack on the Italian Fleet at Taranto, the British Fleet's air arm attacked and sank two Italian submarines, a destroyer and a depot ship with three aerial torpedoes, it was belatedly disclosed yesterday.

"The attack was carried out in broad daylight," the Admiralty said. "There were no casualties whatsoever to the Fleet's air arm."—United Press.

Rome Admits Raids

Rome, Jan. 29.

Catania on the east coast of Sicily, and Naples were raided by British bombers on Monday night, an Italian communique admitted yesterday.

The attacks caused no important damage or casualties, it is claimed.—Reuter.

FOREIGN TELEGRAMS (continued)

U.S. Aid Said Essential

Britain, China and Greece Unable to Continue Fight Unless "Lease-and-Loan" Bill is Passed

Washington, Jan. 29.

MR. Henry Morgenthau, Secretary of the Treasury, told the Senate Foreign Relations Committee yesterday that Great Britain, Greece and China "cannot continue to fight" unless Congress passed the "Lease-and-Loan" bill.

Indicating that his appraisal was based on the inability of those three countries to raise dollars for further purchases in the U.S., Mr. Morgenthau told the Committee, which was hearing testimony on the bill:

"Congress must weigh seriously and question whether it wants Britain, Greece and China to continue to fight."

The Secretary of the Treasury bluntly informed the Committee that "I am convinced if Congress does not act on this bill there is nothing for Britain to do but quit fighting."

"The decision rests in the hands of you gentlemen,"

2,000 Planes Ordered

Mr. Morgenthau said Mr. William Knudsen, chairman of the National Defence Commission, was endeavouring to place a new British order for 2,000 warplanes, for which production capacity was available, but for which Britain possessed no funds.

During interrogations, the Secretary of the Treasury revealed, he did not expect Britain to repay its US\$5,729,000,000 World War debt and hence the Treasury was prepared permanently to write off this sum.

"I did so some time ago mentally," he said.

Mr. Morgenthau revealed for the first time that frozen French assets in U.S. aggregated US\$1,593,000,000, all of which had been sequestered since June.

French Contracts Taken Over

"When the French collapse occurred in June, and the British took over all French contracts in the U.S., British liabilities doubled. They were left to face Germany alone. Hence, the British began to lose gold dollar assets twice as fast after June as before."

The British "just haven't got the dollars" to meet their war purchases in the U.S. after the end of the current year, he declared.

His testimony thereafter largely was a repetition of previous declarations, in which he stressed British commitments here aggregated about US\$1,400,000,000, compared to US\$1,811,000,000 in "gold and silver exchange which the British regard as available for purchases in the U.S."

£12,000,000 a Day War

He said the war was costing Britain more than £12,000,000 per day—approximately 60 per cent. of its national income—and was "steadily mounting."

He submitted to the Committee a tabulation of British assets which he previously had presented to the House Foreign Affairs Committee.

Amendments Sought

Republican members of the House Foreign Affairs Committee, meeting yesterday, agreed that Mr. Hamilton Fish, Republican Representative of New York, should introduce in the House seven amendments to the "Lease-and-Loan" bill.

Firstly, prohibit the President from giving away any portion of the U.S. Navy without Congressional authority.

Secondly, limit the bill to one year.

Thirdly, limit financial obligations of the bill to US\$2,000,000,000.

Fourthly, prohibit building, repair or outfitting of belligerent ships, in U.S. ports.

Fifthly, require Britain to furnish security for all aid until their funds are exhausted.

Sixthly, limit President's power to act in disregard of existing laws.

Seventhly, prohibit President from sending convoys into the war zone. —United Press.

Eleven British and Allied Ships Lost

London, Jan. 29.

Shipping losses by enemy action for the week which ended at midnight on January 19 were five British vessels, totalling 24,772 tons, and six Allied ships, 23,440 tons, the Admiralty announced yesterday.

It was the first time in a fortnight that there had been other than British losses reported. For the week under review, the Germans claimed they had sunk 41,600 tons.—United Press.

Emp. of Australia SOS Thought Faked

London, Jan. 29.

The Germans transmitted fictitious messages on Monday that the Empress of Australia, 21,833-ton Canadian Pacific liner, had been torpedoed, hoping to learn the whereabouts of the ship, shipping circles believed yesterday.

Tropical Radio at Miami, Fla., late on Monday picked up messages, ostensibly from the Empress of Australia, claiming the vessel had been torpedoed and was sinking about 200 miles off Dakar. Later, however, it was authoritatively stated here that the ship was "safe in the port" when the alleged attack occurred, it was pointed out.

The nearest British port to Dakar is Freetown, about 800 miles away, which it would have been impossible for the Empress of Australia to have reached between the time of the S.O.S. and the announcement she was safe.—United Press.

"Almost Certainly" Safe

London, Jan. 29.

The Empress of Australia, almost certainly was safe in harbour, it was pointed out London, when the alleged attack on her took place.

The S.O.S. said to have come from her stated she was in a position some 200 miles west of Dakar. This would mean the nearest British port would be Freetown, Sierra Leone, about 800 miles away; thus the ship could not have reached the British port during the time between the alleged S.O.S. and the announcement that she was safe.—Reuter.

Little Comfort in Raeder's Speech

London, Jan. 29.

A speech yesterday by Admiral Raeder, Commander-in-Chief of the Nazi Navy, to dockyard workers in Germany is the subject of an editorial in the "Daily Telegraph" today, entitled "Nazi Naval Wail."

Herr Hitler sent Admiral Raeder to placate the dockyard workers of Kiel and Wilhelmshaven, the editorial declares. The necessity of such a mission shows the ferment of uneasiness in the Reich, and the Admiral's remarkable harangue betrayed nervous anxiety by pouring forth lamentations and fawning apologies, plaintive appeals and vague promises of improvement. But it is very odd comfort for the men of Kiel, who have been bombed over 30 times, and the men of Wilhelmshaven, who have endured more than 40 raids, to be told that the Fuhrer's war will bring them much heavier loss, and neither the Nazi navy nor the Luftwaffe can stop it, the editorial says.

Tongue in Cheek

After 18 months of war, the "Daily Telegraph" continues, during which German surface craft continually shunned contact with British vessels, the workers of Wilhelmshaven and Kiel must have put their tongues in their cheeks when they heard the Admiral's brag of showing the same aggressive spirit and defeating British naval power.

He confessed the struggle would not be easy, and that the Nazi High Command still had no hope of disputing the command of the sea with anything but submarines, aircraft and commerce raiders.

The dockyards and ports of Germany, after the experiences of the last war, will hardly be persuaded to believe in that possibility by promises of a future wherein the Merchant Marine will carry the German flag all over the world.

But for Hitler's war and Nazidom, the "Daily Telegraph" concludes, German shipping might be sailing every sea today.—Reuter.



Speed Saves Those Who Were Trapped

Soldiers, police and members of the Pioneer Corps are pictured as they work over the ruins of a London office building searching for men and women who are trapped after a Nazi air raid has smashed the building. Speed has resulted in the great majority of those who have been trapped in such wrecks being saved.

Willkie Has Busy Day in London

London, Jan. 29.

Mr. Wendell Willkie continued his round of visits yesterday, and had another busy day. After visiting St. Paul's Cathedral in the morning, his lunch was interrupted by the first alert of the day.

The second alert sounded while Mr. Willkie was at the House of Commons, where he was sitting in the Diplomatic Gallery. The Prime Minister was speaking on the Boobyhatch incident, and Mr. Willkie also heard the beginning of the debate on the suppression of the "Daily Worker."

During his visit he met the Labour leaders, Mr. Attlee, Mr. Greenwood and Dr. Grenfell, and afterwards met the Speaker. After leaving the House of Commons, Mr. Willkie had half an hour's talk with Cardinal Hinsley, Roman Catholic Archbishop of Westminster.

It is understood that his talk with the Cardinal mainly centred on the attitude towards the war of Britain's Roman Catholic population, and he was doubtless assured that Britain's Roman Catholics are a hundred per cent. behind the war effort.

Talk with Sir Kingsley

Later, Mr. Willkie had three-quarters of an hour of private talk with Sir Kingsley Wood, Chancellor of the Exchequer, after which he said that he was particularly interested to hear from the Chancellor about the British fiscal system, adding, "what Sir Kingsley and Mr. Norman have told me has helped me a lot."

Mr. Willkie paid high tribute to the "calm, deliberate courage" of the British people in the crisis. He described the spectacle of Parliament discussing the freedom of the press in the midst of the crisis as magnificent and refreshing. "That is Democracy at work; it is wonderful," Mr. Willkie said.

The suppression of the Communist newspaper "Daily Worker" was overwhelmingly endorsed in the House of Commons. At the conclusion of the debate the substantive motion was carried by a large majority.

King to Grant Audience

The King, it is understood, will receive Mr. Wendell Willkie, defeated Republican candidate for the American presidency, during the latter's visit to Britain.

"News-Chronicle" Comments

Complimenting Mr. Wendell Willkie, former Republican candidate for the American presidency who is now visiting Britain, the "News-Chronicle" says in connection with his proposed visit to Eire that he will be "as disarmingly discreet there as here. But he may find an opportunity to tell Mr. Eamon de Valera (Eireann Prime Minister) how America regards Eire's persistent refusal to give Britain the slightest help in fighting the common foe of civilization, or even to take appropriate measures for her own safety."—Reuter.

Britain Protests on Blockade Leak

London, Jan. 29.

The British Government has made representations to Washington and Moscow, claiming American exports to Russia indirectly are aiding Germany, it was learned officially yesterday.

Mr. Hugh Dalton, Minister of Economic Warfare, meanwhile told the House of Commons there was "little evidence U.S. exports to the Soviet Union were aiding Germany directly, but ample evidence Soviet exports of Russian goods to Germany were replaced by goods imported from the U.S."

Mr. Dalton said U.S. exports of cotton to Russia, normally negligible, amounted to 30,000 tons during the last quarter of 1940.

Cotton to Germany

"Large quantities of cotton are now being exported from the Soviet Union to Germany," he declared.

He said exports of copper and brass from the U.S. rose from an extremely small quantity before the war to 57,000 tons, exports of wheat, formerly negligible, rose to 100,000 tons in 1940 and exports of petroleum amounted to 114,000 tons in the first 11 months of 1940.—United Press.

Hull Belittles Reports

Washington, Jan. 28.

U.S. Secretary of State, Mr. Cordell Hull today again denied that the volume of American trade to Soviet Russia justifies any apprehension with regard to filtering of supplies to Germany, when questioned at his press conference.

The query was made regarding Mr. Hugh Dalton's statement in the British House of Commons concerning leakage of supplies to Germany via Vladivostok.

However, Mr. Hull said, the Government is giving constant attention to the matter not only from a trade point of view, but with the object of not furnishing military supplies to certain belligerents.

Mr. Hull pointed out that very little American shipping is going to Russia due to lack of return cargoes. He said that Russia got only 125,000 bales of cotton last year, which is an extremely small amount.

Removal Misunderstood

Asked if the United States has relaxed the licensing system to Russia following the removal of the moral embargo, Mr. Hull said the removal generally is misunderstood. He emphasized the step merely discarded something which had become obsolete, in view of the establishment of export-control regulations.

He added the action is more psychological than anything else.

Mr. Hull disclaimed knowledge of the reported German proposal to send 450,000 refugees to the United States, and said that this may indicate private groups might be handling the matter.—Dome.

Lord Halifax to Press Matter

Washington, Jan. 29.

After conferring with Mr. Sumner Welles for nearly an hour yesterday, Lord Halifax told newsmen that he expected to take up with the State Department in the immediate future the question of exports to Russia, which Britain believes are replacing Soviet shipments to Germany.

Lord Halifax said that a considerable amount of American goods had been shipped to Russia and that there may be more in the future. Lord Halifax said he believed that shipments were also being made to Russia from Latin-American countries.—Reuter.

Italian Liners to Be Merchant Cruisers

London, Jan. 30.

Several large Italian liners including the Rex are undergoing hurried reconstruction by day and night work to put them into service as merchant cruisers, according to Rome correspondents of Swiss newspapers.—Reuter.

British Submarine Lost

London, Jan. 29.

An Admiralty communique announces that the British submarine Triton is overdue and must be considered lost. The next of kin have been informed.—Reuter.

Dutch Submarine Lost

London, Jan. 30.

Loss of a Netherlands submarine in Allied war operations is announced by the London headquarters of the Royal Netherlands Navy.—Reuter.

British-American Economic War Plan

London, Jan. 29.

Economic experts yesterday disclosed a complex plan for a joint British-American economic war front against the Axis.

If adopted, the plan would bar vessels handling traffic for the benefit of the Axis from access to British and American port facilities throughout the world.

It also would result in the freezing of German assets in the U.S. and making the British blockade 40 per cent. more effective.

The plan, it was understood, might involve extension of the U.S. export licensing system to cover all exports of vital raw materials to the Axis.—United Press.

British Investments

Washington, Jan. 29.

The question of the disposition of British investments in the Philippines, Puerto Rico and Hawaii, as a wartime measure, stirred Board of Insular Affairs circles yesterday.

The question arose as a result of the declaration by Mr. Henry Morgenthau, Secretary of the Treasury, before the Senate Foreign Relations Committee, that "every piece of British property in the U.S. would be placed on the auction block" during the coming year to finance British war purchases.

Mr. Morgenthau said he possessed a confidential list from every U.S. company in which British capital was invested. Although this detailed information did not extend to real estate, he said the British promised to dispose of all British property in the U.S.

Treasury sources said it was not ascertainable whether listings included investments in Hawaii, Puerto Rico and the Philippines, but said the British have considerable holdings both in Hawaii and the Philippines.

These holdings likely would be required to be liquidated to pay the U.S. for war orders, it was said.—United Press.

King Visits British Aerodromes

London, Jan. 29.

H.M. the King, who is one of the busiest men in the war effort in Britain, accompanied by the Queen, had yesterday a long talk with Air Marshal W. Sholto Douglas, Commander-in-Chief of the Fighter Command, about night fighters and the difficulties of intercepting enemy bombers at night.

The King talked with a young squadron leader commanding one of the crack night fighter squadrons who told him: "I think we may be going to be much more successful in the future, Sir,"—this happened in the pilot's rest room at an R.A.F. fighter station, which culminated a two days tour, during which Their Majesties visited five aerodromes of the R.A.F. Bomber and Fighter Commands.—Reuter.

The European War, January 30.

Benghazi Is Threatened

London Reports Say British Troops Within Striking Distance; Free French Raids

London, Jan. 30.

BRITISH forces in Africa today were taking a short cut to Benghazi and were believed to be within striking distance of the city, Italian capital of Libya (Cyrenaica).

The army of the Nile under General Sir Archibald Wavell, Commander-in-Chief of British Forces in the Middle East, was cutting across the bulge in the Mediterranean coast line on which Derna and Benghazi stand, and the main army troops were said to be plunging along a difficult desert road.

The army met some resistance at Makhlil, where the Italians tried to gain time and stem the advance, but that resistance apparently was wiped out as the army was reported nearing Benghazi.

British were believed within striking distance of Libya's capital. Despatches from the front take so many hours in transmission, reports of the advance necessarily are delayed.

Meanwhile the remainder of Sir Archibald's forces were said to be tightening a stranglehold on Derna, with artillery and aeroplanes ceaselessly pounding the town.

There was increasing belief here little resistance would be offered when the British finally attack Derna, as last night's R.A.F. communique indicated the Italians were retreating from Derna and Barce toward Benghazi, using the longer coast road.

The coast road was dominated by guns of the British Mediterranean Fleet. Italians evidently hoped to reach Benghazi before the main body of British troops reach there.

Sir Archibald's advance on Benghazi was a race against time. Military circles said he must capture and consolidate his position there before German dive bombers make a debut on the desert, where British forces already are harassed by Italian air reinforcements from Sicily. Troops have little defence against air attack on the open desert.—United Press.

Remnants Surrounded

London, Jan. 30.

The British Army of the Nile has now surrounded an important road junction at Mekelle south of Derna, it is learned in authoritative quarters. There is reason to believe that Italian troops cut off here comprise remnants of two divisions which retired from Sidi Barrani as well as a certain number of tanks and armoured vehicles.

The British advance is being facilitated by their possession of Tobruk as a forward base. There is a good supply of water at Tobruk and large quantities of petrol that the Italians had not time to destroy.

British authoritative quarters are concerned with the fate of 200,000 Italian settlers in Abyssinia, who are menaced by the growing tide of the patriotic movement.

Free French Raid

A recent raid into Italian Libya by a free French force is the subject of a communique issued yesterday by General Charles de Gaulle's headquarters in London. The communique states:

"In the course of January elements of our troops in Chad, acting under the command of General de Laminat, carried out a deep raid into Italian Libya in the region of Fezzan. Our troops reached and destroyed a base at Murzak and attacked a post at Gatruf, inflicting on the enemy serious losses in men and material. Several Italian planes were destroyed on the ground."

The announcement adds that General de Gaulle has conferred the Cross de l'Ordre de la Libération posthumously upon Lieut.-Col. Dornano, commander of a detachment, who was killed at Murzak.—Reuter.

Italian Somaliland Entered

Nairobi, Jan. 30.

British patrols have entered Italian Somaliland, according to last night's official communique, which states, "Strong patrols have crossed the frontier into Italian Somaliland at many points. Slight opposition from banda units (native levies) was encountered.—Reuter.

Gen. Beith Resigns

London, Jan. 30.

The War Office announces that Major-Gen. Beith (Ian Hay, well known novelist) has resigned his appointment as Director of Public Relations at the War Office.

Capt. Margesson accepted his resignation with much regret and high appreciation of Major-Gen. Beith's great service to the Army, and appointed Col. Walter Elliott to succeed him.—Reuter.

Naples and Catania Heavily Bombed

Cairo, Jan. 30.

Heavy bombing by the R.A.F. of the Naples and Catania aerodromes as well as the railway junction and marshalling yards on Monday night are the high spots of the R.A.F. Middle East Headquarters communique issued yesterday.

"During the night of Jan. 27," the communique states, "bombers of the R.A.F. carried out a heavy raid on the Capodichino (Naples) aerodrome. Bombs fell on a large building, setting it on fire and other fires were started on the aerodrome."

"The central railway junction and marshalling yard at Naples also were attacked, fires and a violent explosion being caused between the station and the junction. The same night the Catania aerodrome was raided, bombs bursting on the main runway and among buildings on the south side of the aerodrome. Fires were caused and one aircraft on the ground was burned out."

"Comiso also was visited and bombing there started fires among buildings followed by six violent explosions which were seen by our aircraft raiding Catania."

In Libya

"In Libya yesterday (Tuesday) air activity was mainly confined to protective fighter patrols for our advancing troops and ground strafing of retreating enemy forces between Derna and Barce. On the Martuba landing ground II Savoia bombers were found abandoned in unserviceable condition. Three enemy fighters discovered nearby the same were damaged by our earlier bombing and machine-gunning of the aerodrome."

"In Albania fighter aircraft on patrol in the Koleyre area encountered

R.A.F. Bombs North West Germany

London, Jan. 30.

Bombers of the R.A.F. carried out operations over north-west Germany last night, it is learned here.

Targets at Wilhelmshaven were attacked by the R.A.F. on Wednesday night.—Reuter.

a number of enemy aircraft and several were damaged. An important railway bridge and a railway junction west of Keren in Britania were successfully attacked. General air support was given our troops in their offensive in the Agordat area.

"Aircraft of the South African Air Force on Jan. 27 carried out raids on the Moyale area and many high explosive and incendiary bombs were dropped. The result was not fully observed owing to weather conditions. Numerous reconnaissance flights were made on all fronts. From all operations our aircraft returned safely."

"In a communique of Jan. 27 it was stated that one of our fighter aircraft operating in Libya was missing. It is now known that the pilot of this aircraft made a successful parachute descent and subsequently was found with only minor injuries."—Reuter.

More Raids

London, Jan. 30.

The Royal Air Force made more fierce bombing raids on Italy and Sicily on Monday night, it is announced here. British planes dropped bombs on an aerodrome at Naples and on the aerodrome at Catania.—Reuter.

Ten Days Lull Over London Broken

London, Jan. 30.

Ten days lull in the night air war over London was broken by an early alert last night, shortly after which heavy gunfire was heard in the central districts.

The attack was over by midnight. Incendiary bombs were showered in several parts of the city, but everywhere fire watchers were ready to deal with them.

Elsewhere in the country activity was again slight. The night was also marked by shellfire from the German long-range guns across the Channel, and a number of shells fell on Dover at irregular intervals, but no casualties have so far been reported.—Reuter.

Daylight Raid

London, Jan. 30.

A German raider staged a daring, daylight attack on London this morning, dropped a string of bombs on a suburb and caused numerous casualties, some fatal. Bombs also were dropped on an East Anglian town, damaging two houses.—United Press.

Threat of Invasion by Hitler

Military Men Believe Main Attempt Will Take Place in Channel Area; Other Moves Studied

London, Jan. 30.

MILITARY officials here emphasized to the United Press yesterday that the threat of invasion was very real and they added that an invasion attempt might be preceded by an attack on Ireland or Iceland, or both, as a diversion.

The main invasion attempt was likely to come across the Channel region covered by German fighters, military leaders believed. They said transportation of German troops across the Channel in the face of British sea and air power "was not easy, but not impossible."

The officials said a possible German move to occupy the rest of France and also to drive through Spain to attack Gibraltar were among problems the British General Staff was facing.

They emphasized the effect of an air attack was particularly serious in desert country.

The Mediterranean situation was now looking much more difficult than it did. The movement of much traffic through the Mediterranean in the face of German dive-bombers was becoming uncommonly difficult, they stated.

Military experts pictured an enormous force of approximately 225 German divisions spread throughout Europe, threatening the British:

First, by possible invasion; Second, an attack on Gibraltar, via Spain; third, an attack through the Balkans. The military men emphasized that "the defence of Britain is our main front—we feel very strongly about that."

Regarding German intentions in the Balkans and possible attacks through Yugoslavia towards Salonika in northern Greece, they said, "Whether Germany will strike we cannot tell, but she certainly is moving in that direction."

There are 10 German divisions in Rumania, probably including some motorized units, they declared.

U.S. aid would be an important factor in military operations, they stated. "U.S. equipment is not made in a day, however, and the real flow has not yet started."

They suggested Germany was likely to launch some offensive move before the U.S. furnished supplies to tilt the scales against the Germans.—United Press.

Hitler Attacks British Empire

Berlin, Jan. 30.

Bluntly denying allegations that the young authoritarian states sought to conquer the world, Chancellor Adolf Hitler, speaking on the eighth anniversary of his rise to power as leader of the National Socialist Party, today said that streams of blood and tears have followed in the wake of the triumphant march of the British Empire.

"In reality it is our opponents who are conquerors," he said as he surveyed the development of the British Empire during the past 300 years, "Britain," he added, "despite its conquest of the world, is socially the most reactionary state."

He alleged that the interests of the masses of the British people played no role whatsoever in the policy of the British Government.

Entering the Sports Palace at 4:33 p.m., Hitler was greeted by Dr. Joseph Goebbels, Propaganda Minister, who assured him of the full confidence of the German people.

The Fuehrer, who then commenced his speech, traced the rise of National Socialism to power in 1933, surveying the collapse of Germany after the World War, the years of disaster in Germany that followed 1918 and the rejuvenation of the German people.

Hitler Warns America

Berlin, Jan. 30.

"Whoever wants to help Britain must know that every ship that comes near our torpedo tubes will be torpedoed; if American States should attempt to intervene in the European conflict, our aims will change at once. Europe will resist such an attempt," warned Herr Hitler in a broadcast to the German people, in celebration of the eighth anniversary of the Nazi regime.

British assertions for world domination, he said, had been frustrated by the rise of the European entente of Germany and Italy.

"It is useless to predict any differences with Italy or that Italy will slide out. It is equally useless to invent revolutions in Italy. Wherever we can strike at Britain we shall strike. If the British think to see proof of their victory in a few misfortunes which have befallen our partner, I do not understand their argument."

Speaking of his relations with Mussolini, Hitler declared: "We two are neither Jews nor business dealers. If we have joined hands, this is a hand-clasp of men of honour."

Concluding, he asserted: "If the British think that by propaganda and lies they will alienate the German people, I must say they should not have slept so long. It is as ridiculous as their present attempt to bring about estrangement between the Italian people and the Duce."

"We enter the new year with armed might which is prepared as never before in German history."

This spring, we will begin U-boat warfare, and our enemies will then feel that we were not asleep.

"We are confident that we shall achieve victory. We pray to God may he not forsake our struggle in the new year, 1941."

After the speech, Dr. Joseph Goebbels, Propaganda Minister, shouted: "Command, My Fuehrer! We obey and shall follow you!"—Reuter.

Willkie Looks at London Shelters

London, Jan. 30.

Mr. Wendell Willkie, hardened fighter in the Presidential campaign was moved almost to tears last night when in the midst perhaps not of a full-dress blitz, but at least of a minor nuisance raid, he visited some of London's shelters to see for himself how Londoners can take it.

Standing in the midst of the crowd which swarmed to welcome him in one deep shelter, Mr. Willkie turned to the Reuter reporter who was accompanying him and said: "I am a tough egg but this moves me very deeply. I am almost spilling over." "It is wonderful how they take it," was his comment in another shelter. "They seem so pleased to see me and they do not seem to ask for anything. Your people are most wonderful. I have found nobody depressed," Mr. Willkie added.—Reuter.

Sees Trade Union Chiefs

London, Jan. 30.

Mr. Wendell Willkie who is in Britain to see things for himself, had a first-hand view of the country's labour questions during a visit to the Ministry of Supply in the course of a busy schedule yesterday. While waiting for Mr. Ernest Bevin, Minister of Labour and National Service, he was greeted by Mr. George Gibson, Chairman of the Trade Union Congress.

After talking to all the trade union chiefs Mr. Willkie said. "I haven't had a visit any more stimulating than that one. Those people were wonderful." He said he found himself in complete agreement with their purposes. Mr. Gibson had emphasized the complete unity of the working classes in the war effort both in the workshop and outside.

Visits Four Shelters

London, Jan. 30.

Mr. Wendell L. Willkie, defeated Republican Presidential nominee, walked among thousands of homeless in their air raid shelters yesterday and was greeted by cheers for America and shouts of "send us all you've got."

Mr. Willkie talked 15 minutes with Dr. Quo Tai-chi and told the Chinese Ambassador to Britain he always had regarded China as a representative of freedom.

Mr. Willkie told Dr. Quo he would try to do as much as he could to help the Chinese.

Food Demonstrators

Sixty women flaunting banners protesting the Government's food policy demonstrated in the Savoy Hotel lobby as Mr. Willkie passed, but the American gave them barely a sideways glance.

Demonstrators finally were ejected from the lobby, some bodily.

Protests referred to the Government's policy of not requiring patrons of restaurants to give up coupons while the poor, unable to dine at restaurants, were able to buy only coupon-rationed foods from butchers and grocers.

Mr. Willkie entered the lobby with Sir Robert Kindersley, a banker, and other business heads.

"The Government tells us to eat less, but the rich get their fill," one banner said.—United Press.

FOREIGN TELEGRAMS (continued)

The European War, January 31.

British Threaten Benghazi

Desperate Italian Bid on All Fronts Expected in London; Rome Rushing Reserves

London, Jan. 31.

WHILE British forces early today pressed toward Apollonia, 40 miles west of Derna, which was captured yesterday, military authorities here disclosed that fresh Italian reserves had been thrown into fighting fronts in Albania, Kenya and Italian Somaliland.

Two British columns were said to be advancing towards Benghazi, most powerful and vital Italian stronghold in Libya.

A review of the general military situation revealed that the Italians were making desperate bids on all fronts.

"Italian tactics in Albania recently have changed," said military authorities. "They have been launching a series of counter-attacks in attempts to regain the initiative, but they were not very successful. The Greeks repulsed all attacks and achieved new, although small, gains."

Although the War Office lacked confirmation, the Italians were said to be evacuating Tepeleni. "It is not inherently improbable, as the Greeks have been hammering that salient from the west," said reliable military sources.

Italian military resistance at Derna was stronger than at Sollum, Bardia and Tobruk, military authorities revealed, presumably because Italian troops there previously had not engaged in any battles and were fresher.

Sudan Pressure Kept Up

The British advance in the northern Sudan continued, it was said, with pressure being kept up on Agordat and Barentu. To the south, Italians were said to be still resisting from Amhagar.

Military authorities said British troops were nearing Moyale, which the British evacuated last summer and added "the Italians are making a stand there."

The British also were said to be well within the border of Italian Somaliland and were not meeting much opposition.

The battle of Benghazi appeared to be the next big item on Britain's African offensive, with two British columns advancing on the Libyan stronghold.

Dash Across Desert

The main body of troops, under General Sir Archibald Wavell, Commander-in-Chief of British Forces in the Middle East, cutting across the desert, while a smaller body of forces, streaming out along the good but longer coast road, skirted the Mediterranean.

The smaller forces yesterday completed capture of Derna, and the two columns were expected to rendezvous in front of Benghazi for a mass assault on the most difficult objective yet in the African war.

Benghazi was said to be defended by 50,000 Italian troops. The military spokesman at Cairo last night described as "nonsense" a suggestion that the British would make a triumphant march straight to Benghazi.—United Press.

Derna Loss Admitted

London, Jan. 31.

An Italian high command communique today admitted the evacuation of Derna "in order to avoid serious losses." The communique added that the garrison withdrew south and west and there "brought to a standstill an attack by Australian troops."

The announcement also stated that German planes carried out bombardment of Suez and Ismael.—Reuter.

Difficult Terrain

At General Headquarters for the Middle East, Jan. 31.

With the British advance continuing after the fall of Derna, the terrain is becoming increasingly more difficult.

The British mechanized forces no longer have a flat desert over which to advance, and owing to hills and ravines they are forced to remain largely on the main roads.

There are many points between Derna and Benghazi where a determined enemy would be able to make a stand if he desired. It may thus be expected that the rate of the British advance will slow down.

The little fishing port of Derna fell exactly a week after Tobruk was taken by the Imperial forces, following an operation which lasted three days.

Many Escape

There was no zero hour as at Tobruk and Bardia. Instead, the British and Australian troops first captured outposts, then mopped up the final resistance and drove out the

British Drive in Abyssinia Told

"Somewhere in Abyssinia, Jan. 31. "I am riding in a lorry at the head of an armed convoy of the British Military Motor Transport Service. The convoy includes two British sergeants, one of whom before the war was a motor engineer from the East End of London while the other came from Cambridge. With the convoy also is the Ethiopian representative of the Emperor."

"One of the heroes of the campaign will be a 32-year-old Lieutenant who, the only Englishman with two hundred Ethiopian patriots, is following in the tracks of the convoy, laying the first British-made road in order to attack the enemy's vital centre. He does not speak a word of his companies' language, but he is doing a fine if somewhat heartbreaking job."

"The lorry leading the convoy in which I am riding is leading the first motor expedition ever to penetrate the interior of Abyssinia from this region. The lorry is fitted with bumpers for knocking down trees, and we are cutting as nearly as possible a straight line through the bush on a compass bearing."

"I am typing this despatch before sunrise in a rocky river bed, surrounded by massive, grotesque outcrops of black rock, the haunt of strange wild birds and game of every conceivable species, while we wait for two hundred Abyssinians armed with spears and axes to hack down trees and lay the track up a precipitous sandy river bank."

Lions Cause Alarm

"The vast wilderness of bush is so waterless and so fever-ridden during the summer that no human being has ever set foot here before us. The undergrowth is trampled down by game, including beasts of the rarest species."

"Early this morning the camp was aroused by shots fired by a sentry, but the troops tumbled out to a false alarm. The sentry was not firing at the enemy but blazing away to scare off five lions which were prowling around the camp."

"At the end of each day's journey, before turning into sleep under mosquito nets, anti-aircraft pits are dug for the camp's defences. As to weapons, the officers and non-commissioned officers are armed with "Tommy" guns, and the Ethiopian guard with rifles. Some of the expedition's machine-guns were captured from the Italians."—Reuter.

Positions Bombed

London, Jan. 31.

One of the most successful operations carried out by the South African Air Force on three successive days, dealing a crippling blow to the Italians without loss on their part, is described in a cable from Nairobi. As a result of these operations a car park at Neghelli, housing over 150 vehicles, has been completely gutted. Yavello aerodrome has sustained severe damage, one Caproni being destroyed and many others damaged.

At Selassiamanna, over 250 miles beyond the frontier and half-way to Addis Ababa, six other Italian aircraft were destroyed or seriously damaged.

Pilots of the two squadrons flew hundreds of miles over a wilderness inhabited by hostile factions—over a distance on some occasions longer than the Royal Air Force cover when they bomb Berlin.

Natives Employed

Mechanical transport companies from the Cape Colony are being employed against the Italians in East Africa.

These companies, it is learned, consist of units of South African coloured men whose work closely approximates that of the Pioneer Corps in England. They are principally engaged in constructing roads and clearing others to ensure speedy and smooth transport.—Reuter.

C.P.R. Liner Safe

London, Jan. 30.

The British liner Empress of Australia, which was reported by radio to have been torpedoed 200 miles west of French West Africa, is said here to be safe in port. There are no details concerning the whereabouts of the ship.—Reuter.

British Trawler Sunk

London, Jan. 31.

The trawler Pelton (Hull, 358 tons) has been sunk, with casualties, states an announcement by the Admiralty.—Reuter.

at points where they were about to organize counter-attacks. In the area north of Klissura, the Greeks are slowly but steadily pushing back the enemy.

The Ministry added that according to a cable sent by the Athens correspondent of the "New York Herald Tribune," Italian losses in Albania already exceeded 60,000 men.—Reuter.

Hitler Challenges Britain

Spring U-Boat Campaign Promised by Fuehrer in Abusive Outburst; America Also Threatened

Berlin, Jan. 31.

"I HAVE read on several occasions that the English intend to start a great offensive somewhere; I would ask them to let me know about it beforehand. I would then have that area in Europe evacuated. I would gladly spare them the difficulties of landing, and we would express our views once again, using the only language they understand," said Herr Hitler in a speech at the Sportpalast in Berlin yesterday, on the eighth anniversary of his coming to power.

Hitler gave warning to the United States to stay out of the war: "Europe will resist any attempt by the American States to intervene in the European war."

Except for a spring offensive by submarines, the Fuehrer gave no undertakings as to the future conduct of the war, but promised that "wherever we can strike at Britain we shall strike."

"Few Misfortunes"

The German and Italian peoples could not be separated by British propaganda, he declared, nor the Italian people from the Duce because of "a few misfortunes."

The usual claims that Germany was free of guilt for the last war and that she had not been defeated, were included in the speech a large part of which was devoted to abuse of Britain.

"We stand here on this continent, and from where we stand nobody can move us. We have created certain bases. When the hour strikes we shall deal decisive blows, and that we have made the most of our time, they will be taught by the history of this year. They are calling for America. We have taken into account every possibility in advance."

Hitler added that Germany had never had any interest on the American continent.

"Peace Efforts"

Hitler then recalled his "efforts to preserve peace."

"My peaceful efforts failed because they were opposed by a combination of plutocratic ruthlessness, Jewish hate instincts and ambitions of refugees. I have never had a single point of dispute with Britain..."

He went on to assert that British labour leaders were now plagiarizing the social ideas of Nazism. "If the war lasts long enough this will have disastrous effects for Britain. They will have to send a mission over to us to take over our social programme."

Speaking of his peace offers since the outbreak of war, Hitler said: "When I offered my hand to Britain after the collapse in the west I was met by sneers and insults. They spat at me."

America Warned

Dealing with possible American help to Britain, he warned:

"Whoever wants to help Britain must know that every ship that comes near our torpedo tubes will be torpedoed; if American States should attempt to intervene in the European conflict, our aims will change at once. Europe will resist such an attempt."

British "efforts at world domination," he said, had been frustrated by the rise of the European entente of Germany and Italy.

"It is useless to predict any differences with Italy or that Italy will slide out. It is equally useless to invent revolutions in Italy. Wherever we can strike at Britain we shall strike. If the British think to see proof of their victory in a few misfortunes which have befallen our partner, I do not understand their argument."

"Men of Honour"

Speaking of his relations with Mussolini, Hitler declared: "We two are neither Jews nor business dealers. If we have joined hands, this is a hand-clasp of men of honour."

Concluding he asserted: "If the British think that by propaganda and lies they will alienate the German people, I must say that they should have slept so long. It is as ridiculous as their present attempt to bring about estrangement between the Italian people and the Duce."

"We enter the new year with armed might which is prepared as never before in German history. This spring, we will begin U-boat warfare, and our enemies will then feel that we were not asleep."

"We are confident that we shall achieve victory. We pray to God may he not forsake our struggle in the new year, 1941."

After the speech, Dr. Joseph Goebbels, Propaganda Minister, shouted: "Command, my Fuehrer! We obey and shall follow you!"

Exchange Courtesies

"Comradely greetings" from Signor Mussolini to Herr Hitler are expressed by the Duce in a telegram to the Fuehrer on the eighth anniversary of

Audience Granted To Mr. Hopkins

London, Jan. 31.

Mr. Harry Hopkins, President Roosevelt's personal envoy to Britain, yesterday was received by King George VI at Buckingham Palace.

Therefore, he was entertained at luncheon by the King and Queen.

Mr. Hopkins' audience with His Majesty was interpreted as indicating his visit in England was nearing its end.

The King will hold an audience for Mr. Wendell L. Willkie, defeated Republican Presidential nominee, who is exploring war-torn England, but the day has not yet been fixed.

Mr. Willkie told newspapermen yesterday he probably would leave England about February 6.—United Press.

Buys "Round" for Troops

London, Jan. 31.

Mr. Wendell Willkie, who is now in England to get first-hand information of the present state of affairs, threw convention to the winds yesterday when he left his Park Lane hotel and went to a public house, where he had a pint of beer and played darts with the builders and labourers gathered there.

He stood drinks to a party of soldiers in the "pub" who were on leave, and at the invitation of the landlord went behind the bar and pulled himself a glass of beer, joking with the barmaid as he did so.

Mr. Willkie and the landlord afterwards toasted each other in a bottle of champagne which the landlord had been saving for Armistice Day. "But you are as good as an armistice to us," the landlord told Mr. Willkie.

Temple Visited

The American visitor signed his autograph many times before leaving to have lunch at Claridge's with the Lord Chancellor, Lord Simon, who later conducted Mr. Willkie on a tour of the Temple, which had been bombed.

Mr. Willkie shook his head when he saw the ruins of the historic Middle Temple hall, and the damaged Inner Temple library and hall, and said "It seems unbelievable. This destruction is all so useless from the point of view of Germany's war effort."

Accepting a glass of brandy from the famous cellars, which had been untouched by the air raids Mr. Willkie proposed a toast to the "restoration of the Temple."

Later Mr. Willkie called at the Admiralty and saw the First Lord, Mr. A. V. Alexander. During an air raid he was shown the Map Room.

Naval Discussion

Following his visit, Mr. Willkie said he saw with Mr. Alexander for about half an hour, and also talked to other officials.

"We discussed the whole naval situation, and things that are most needed," Mr. Willkie said. "Everyone talked to me with complete candour, and the visit was very instructive."

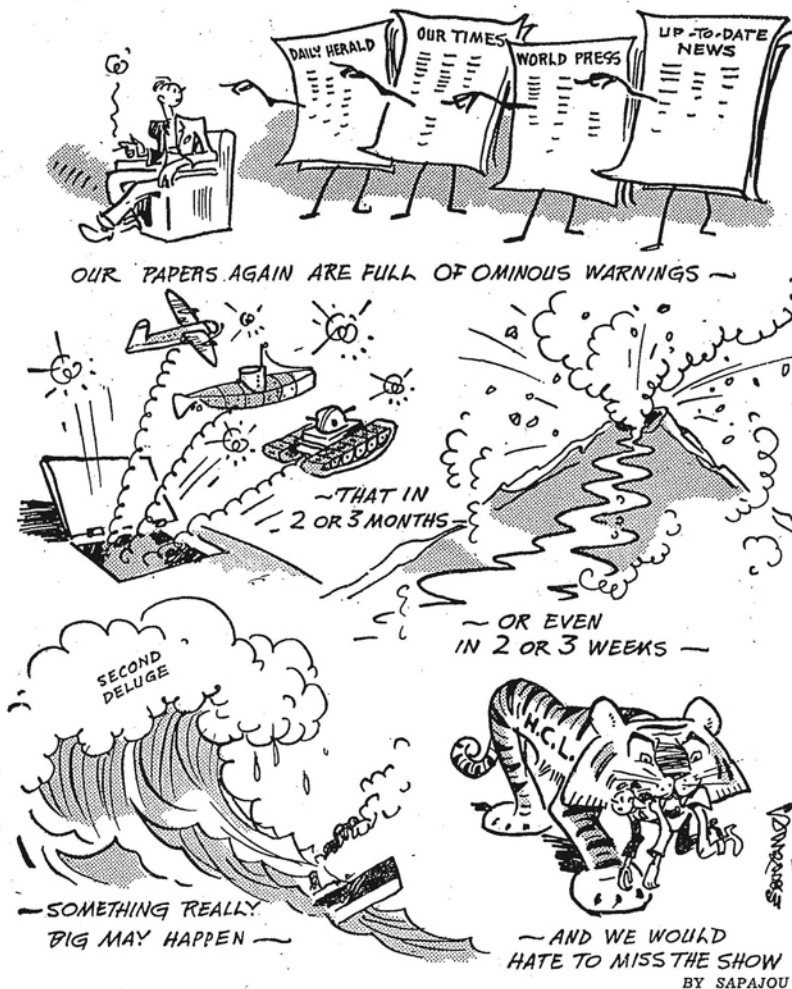
Speaking of his lunch with the Lord Chancellor, Mr. Willkie said that they discussed the system of the English courts, and the way justice was functioning under wartime conditions.

"I had the impression that the English courts were still open and free and were operating under the old established rules, modified only by wartime regulations," Mr. Willkie said.—Reuter.

his accession to power which, says the Duce, "floods Italy and Germany fraternally allied in the final revolutionary fight for the creation of a new Europe."

Signor Mussolini adds: "The whole Italian nation unites with me on the occasion of this celebration in unchangeable loyalty, with unshakeable resolution to fight to final victory."

Herr Hitler in his reply says: "Shoulder to shoulder with our friendly ally the Italian nation, Nazi Germany fights on determinedly and with sure consciousness of her ultimate victory for a new Europe." King Victor Emanuel has also sent a congratulatory message, to which Herr Hitler has replied.—Reuter.



Kismet

Committee Approves Aid Bill

Amended Measure Adopted by 17 Votes to 8 ;
Life of Bill, President's Powers Slightly Limited

Washington, Jan. 31.

THE House Foreign Affairs Committee yesterday approved the amended Aid to the Democracies ("Lease-and-Loan") Bill and ordered it reported favourably to the House, where debate on it possibly will start Monday.

Seventeen Committee members approved the amended bill, while eight were opposed to it.

The Committee rejected an amendment by Mr. Hamilton Fish, Republican Representative of New York, limiting aid to Britain to US\$2,000,000,000.

Amendments adopted by the Committee were:

Limitation the life of the bill to June 30, 1943;

The President to file reports to Congress every 90 days regarding transactions made under the bill; and

The President to consult Army and Navy officials before sending U.S. war materials abroad.

Mr. James W. Gerard, who was U.S. Ambassador to Germany before the World War, told the Senate Foreign Relations Committee, which was hearing testimony on the bill, that Germany would embark on a programme of world conquest if she succeeded in defeating Britain.

Germans in Brazil

Mr. Gerard, discussing various aspects of the world situation said nearly 2,000,000 inhabitants of Brazil were of German descent and with Italian elements, comprised 35 per cent. of the country's total population.

The Committee invited Mr. Wendell L. Willkie defeated Republican Presidential nominee, to be its final witness when he returns from London, where he is now studying Britain under war-time conditions.

The State Department revealed that President Roosevelt, when he greeted Viscount Halifax, new British Ambassador to the U.S. in Chesapeake Bay recently, told the envoy the U.S. was determined to "continue on an ever-increasing scale" assistance to Britain.

Debt Limit Raised

The House Ways and Means Committee approved legislation raising the statutory limit on the national debt to US\$65,000,000,000 and author-

Willkie Watches Dover Raid

London, Jan. 31.

Mr. Wendell Willkie today twice saw anti-aircraft guns open fire on a Dornier bomber — of the type known as the "Flying Pencil" — which crossed the British coast near Dover, where the former republican candidate for the American presidency was making a rapid tour of inspection.

Mr. Willkie inspected a giant gun, which delivers replies to German shelling across the channel. — Reuter.

Russia and Germany Ratify Border Pact

Moscow, Jan. 31.

The following communicate on the ratification of a treaty between the U.S.S.R. and Germany on frontier juridical status and the exchange of ratification instruments has been published:

"On January 30, in Moscow, the Chairman of the Council of the Peoples' Commissars of the U.S.S.R. and the People's Commissar of Foreign Affairs, V. Molotov, and the German Ambassador, Count Schulenburg, exchanged ratification instruments of the treaty on frontier juridical status signed in Berlin in August 31, 1940, with protocols and other documents appended thereto.

"The treaty on the frontier juridical status is based on the treaty of friendship and frontier signed by the U.S.S.R. and Germany on September 28, 1939 and ratified by the Governments of the U.S.S.R. and Germany on December 5, 1940."

Treaty With Slovakia

The Presidium of the Supreme Soviet of the U.S.S.R. has ratified the treaty on trade and navigation between the U.S.S.R. and Slovakia, signed in Moscow on December 6, 1940. — Tass.

ized taxation of future U.S. bond issues.

The Committee also authorized the issuance of small denomination defence bonds and treasury certificates such as Mr. Henry Morgenthau, Secretary of the Treasury, advocated to the Committee yesterday. — United Press.

Only Single Raiders Appear Over London

London, Jan. 31.

London experienced another day of intermittent air-raid alerts following Wednesday night's fire-bomb attack, which was again defeated by civilians. German aircraft operating singly dropped bombs in the London area and in parts of south-east England and East Anglia.

Some houses and shops were damaged, but it is officially stated that the number of casualties so far reported is small.

During one alert, houses in three streets were damaged, and women and children were trapped in debris. Here some fatal casualties occurred. One bomb fell in a street, another near a tram track, and a third near the gates of an industrial building.

German fighters over Dover reverted to their pastime of last summer of shooting at a barrage balloon. A thick fog and low cloud, above which the balloons floated, obscured the raiders from anti-aircraft defences, but they were given a hot reception. Some balloons were shot down.

One German plane was destroyed by British fighters in the afternoon over Essex.

Other reports of yesterday's air raid show that bombs were dropped in an East Midlands town. Some damage was done to buildings but there were few casualties. So far there has been no alert in London since night fall.

Well informed quarters are unable to correlate a German claim regarding attacks on north-east London with known facts and state that the claim likely refers to machine-gunning of civilians in one London district yesterday. — Reuter.

The European War, February 1.

7,000,000 Under Arms

Vast Force Being Prepared as Nazi Invasion Peril Again Rises ; Raeder's Boast

London, Feb. 1.

BRITAIN will have between 7,000,000 and 8,000,000 armed and uniformed troops by September, 1941, under the plan to expedite the expansion of its armed forces, a survey showed today. In the World War, Britain mobilized less than 5,000,000 armed men in four years of fighting.

Outdoor training camps were expected to treble the present total of recruits, and the Government was adding pressure to the plan to substitute women for men everywhere possible in industry, thus freeing thousands of men for the army.

Mr. Ernest Bevin, Minister of Labour, in the House of Commons, said that women would be employed in industry to the utmost extent and that thousands of women and girls already were training for work in war factories.

At the start of the war, between 6,000,000 and 7,000,000 men were exempted from the fighting services because they were members of reserved occupations. It was estimated, however, that 1,500,000 such exempted men since have been released to the fighting services. The total of exempted persons probably will be trimmed another 50 per cent. as soon as women are able to replace the men. — United Press.

Halifax Sounds Warning

Washington, Feb. 1.

Lord Halifax, British Ambassador to the United States, after a courtesy call yesterday on Senator Walter F. George, Chairman of the Senate Foreign Relations Committee, said he thought "Chancellor Adolf Hitler will have to have a go soon" at an invasion attempt on England.

Lord Halifax predicted that the German invasion attempt probably would be made through six or seven ports rather than through a concentration on Dover.

"The developing situation" in Italy, Africa, the Balkans and inside Germany, will force Chancellor Hitler to move soon," Lord Halifax said. — United Press.

"Greatest Hour" Nears

London, Feb. 1.

"Inevitably the day draws nearer when the full weight of the mightiest military machine the world has ever known will be hurled against us. We shall have to meet the onslaught single-handed, and we must conquer or perish," declared the First Lord of the Admiralty, Mr. A. V. Alexander, in a speech at Preston yesterday.

"The greatest, grandest hour of our history is approaching, and we shall arise to it. This is not the first time our destiny has been at stake..."

Referring to the drawing together of Great Britain and the United States, Mr. Alexander said the task of freeing the world from tyranny and oppression had been laid upon the English-speaking races. — Reuter.

Raeder's Boast

Berlin, Feb. 1.

Grand Admiral Erich Raeder, Commander-in-Chief of the German Fleet, yesterday echoed Chancellor Adolf Hitler's warning that Germany's "U-bout war will begin in the Spring."

Admiral Raeder said in a proclamation that a formidable submarine fleet was ready to lead the way to final Nazi victory.

The proclamation thanked those engaged in U-bout construction and stated "in an unparalleled short time they are constructing the best U-boats in the world which will be led to victory at a decisive point by U-bout sailors." — United Press.

Two Trawlers Drive Off Air Attack

London, Jan. 31.

The attempted bombing of two British trawlers, the Charmouth and Rattray, caused an unpleasant surprise for German airmen recently. One German plane, located the trawlers at sea, satisfied itself that the craft were fishing and then attacked.

The bombs however were inaccurately aimed and neither trawler was damaged. A second attack with machine-gun and cannon fire then was launched by the German but both trawlers vigorously retaliated with their defensive armament. Repeatedly they hit the aircraft, finally driving it off when it appeared to be on fire.

Although neither trawler claimed to have shot down the plane, said a naval spokesman today, it was subsequently established that the machine crashed into the sea some miles away. — Reuter.

Hopkins, Willkie Survey Defences

London, Feb. 1.

Mr. Harry Hopkins and Mr. Wendell L. Willkie, two prominent Americans now visiting Britain, yesterday surveyed two of England's important defence areas.

Mr. Willkie, defeated Republican Presidential nominee, who is in England to find out about the war, toured defences on the east coast, while Mr. Hopkins, President Roosevelt's personal envoy to Britain, toured Portsmouth's dockyards with Mr. Winston Churchill, Prime Minister.

"I think the Germans have got a tough job on their hands," Mr. Willkie told newspapermen.

He said he was impressed by anti-invasion precautions and declared, "I certainly wouldn't want to be a German trying to invade England's east coast."

"We Shall Come Through"

Mr. Willkie declined to give details of his tour of England, stating, "I don't want to give away secrets." He denied he had been approached by neutral diplomatic officers to visit Chancellor Hitler, and said he would fly directly home via Lisbon.

Mr. Hopkins, after touring the dockyards, returned to London and heard Mr. Churchill tell the York City Council that "we shall come through."

"I cannot tell when, I cannot tell how, but we shall come through."

"...We see our friends across the ocean taking an even warmer interest in the struggle for freedom here. One cannot help feeling enormously encouraged by the ever-growing movement to aid Britain which is laying hold on mighty masses of the U.S."

The Prime Minister said British successes in Libya exposed the "rottenest" Nazi-Fascist regime. "Instead of marching to triumph at Athens and Cairo, the Italians now have been forced to bring in Germany to rescue and rule them." — United Press.

Colonel Knox Expects Developments Soon

Washington, Feb. 1.

There are certain "menacing" developments indicating that a great crisis would come within 60 to 90 days," declared the Secretary of the Navy, Colonel Frank Knox, before the Foreign Relations Committee of the Senate yesterday.

These developments, he explained, centred about two factors:

1. The German air force had changed its tactics from the indiscriminate bombing of London and fruitless effort to break British morale to the "far more effective" bombing of industrial centres.
2. The British had not yet been able to find any successful convoy method of combating the increased German submarine activity.

It would be wild fancy to believe that a negotiated peace could bring stability to Europe, Colonel Knox added.

There had been a lull in German aeroplane production in the last month or two, during which American and British factories had produced more planes than the Germans, he stated. — Reuter.

Former China Pilot Fighting with R.A.F.

London, Feb. 1.

Mr. Charles Whitehead of Brooklyn, N.Y., who formerly trained Chinese pilots to handle planes against the Japanese and who flew Pan American Airways' planes on the South American run, is serving with the Royal Air Force now as a pilot of a bombing plane, it was disclosed today. — United Press.

FOREIGN TELEGRAMS (continued)

Benghazi Outpost Bombed

Italians Bolster Defences on Western Rim of 800-Foot Deep Ravine in Effort to Hold up Drive

Cairo, Feb. 1.
ROYAL Air Force planes bombed and scored "direct hits on" hangars and other buildings "at Barce, Italian outpost north of Benghazi in northern Libya, the R.A.F. communique said yesterday.

Another R.A.F. squadron dived on Italian artillery and infantry positions in the Moyale area of northern Kenya colony, just south of the Ethiopian border, the communique reported.

Reports from Nairobi in Kenya said British patrols had reached positions 40 miles within Italian Somaliland with only minor encounters.—United Press.

With the British Army West of Derna, Feb. 1.
Italian forces, taking advantage of an 800-foot deep ravine west of Derna, yesterday bolstered their defences in an effort to halt the advance of the British Army of the Nile.

The Italians, believed to total 6,000 men, were lining the western rim of the ravine, which runs from about 17 miles inland down to the sea at Derna.
The obstacle provided respite for the Italians who were putting up resistance with the evident object of gaining time for organization of a strong defence of the Benghazi front. Several skirmishes between infantry patrols occurred, while artillery batteries on both sides were extremely active. The British artillery, however, was greatly superior in this area. The Italian gunners also were almost cut off from supplies from rear bases, including Benghazi.—United Press.

Somaliland Advance

Nairobi, Feb. 1.

British patrols have penetrated 40 miles into Italian Somaliland. In a clash with native levies, the British took prisoners and caused loss to the enemy, while one British Askari was slightly wounded.

Nigerian troops operating in the coastal sector of Kenya have penetrated into Italian Somaliland and destroyed the village of Kiamboni, near Dick's Head. Not a single enemy soldier was encountered.

Kiamboni was an advance post held by bandits (native levies), from where raids had been carried out on fishing villages in Kenya, near the border.

Kiamboni was set on fire, and the Nigerian troops then withdrew. Part of the operations was carried out by sea so as to enable the troops to be transported more easily.—Reuter.

First Australian D.F.C.

London, Feb. 1.

Among the latest list of awards is one of the Distinguished Flying Cross to Wing-Commander I. D. MacRachlan, who is the first officer of the Royal Australian Air Force serving in the Middle East to be decorated.

The citation says MacRachlan led his squadron with continued zeal and aggressiveness and frequently overwhelmed numerically superior forces.—Reuter.

Italians Handicapped

Aden, Feb. 1.

A shortage of petrol and other supplies is severely handicapping the Italian defence of Eritrea and Abyssinia, according to travellers from Massawa.

Food supplies are so low that three-quarters of the population of Massawa has scattered into the interior to forage for themselves.

The shortage is increased by vigorous R.A.F. attacks from Aden on communications, supply dumps and transports. The Djibouti-Addis Ababa railway has been severely damaged by the bombing of two stations, and at Assab, stores and transports have been heavily plundered.

The Italian High Command communique states that on the northern front in East Africa the battle is still continuing, and claims that during fierce fighting Italian colonial troops "inflicted notable losses," with some loss to themselves.—Reuter.

Russians Protest Ship Detention

London, Feb. 1.

M. Ivan Maiski, Russian Ambassador to Britain, has protested against the alleged British detention of the Greek vessel Koriantikos off the Falkland Islands and the sequestration of part of a cargo of hides, leather and wool en route from Buenos Aires to Vladivostok.

The British Foreign Office has promised to investigate the charges.
M. Maiski conferred yesterday with Mr. Hugh Dalton, Minister of Economic Warfare, on the same subject.—United Press.

Nazi Plans Again Reported Grounded

London, Feb. 1.

Bad weather on the Continent last night was believed to have grounded the Luftwaffe and kept raiders away from London. Whether or not weather hampered R.A.F. activity had not been announced late today.

German raiders, however, dropped high explosive and incendiary bombs on 12 London districts yesterday afternoon. The attacks were comparable in intensity to some of the night attacks last year.

Dwellings, three hospitals, shops, offices and a block of flats were destroyed or damaged.

Raiders also were reported in an East Anglian town and over the West Midlands.

The Air and Home Security Ministries said there "was some slight enemy activity in the early hours of darkness last night, but no bombs were dropped."

Single Raiders

Yesterday afternoon, the Ministries said, "enemy aircraft, operating singly, dropped bombs through clouds on several points in the London area and a few other places in southern England."

"In the London area some houses and other buildings were damaged and a small number of fires was caused. The number of casualties was not large. Elsewhere there was little damage done and very few casualties. Two enemy bombers were seen to have been destroyed."

Germans Shell Coast

Mr. Gabriel Hews, United Press Staff Correspondent, reported from Canterbury that German long-range guns for the past four days had been intermittently shelling areas 10 to 12 miles inland from the coast.

Nearly a score of shells thus far had fallen on several Kent areas, causing little damage and no casualties. Most shelling occurred at night, although two shells fell on the area Thursday. Major Robert Williams, U.S. Army Air Corps observer, was injured during the day-time bombing of London. He was painfully cut by flying glass and taken to a hospital.—United Press.

Willkie Summoned Back to U.S.

London, Feb. 1.

Mr. Wendell Willkie has received a summons from Senator George, Chairman of the Senate Foreign Relations Committee, sent through Mr. Cordell Hull, Secretary of State, to testify before the Committee on the "Lease-and-Loan" Bill.

Mr. Willkie told Reuter that he was responding almost immediately to this request, and would leave for America via Lisbon about the middle of next week. The Committee was ending its enquiry on February 10, Mr. Willkie said, and in order to attend it he would have to leave by next Wednesday.

His return home earlier than anticipated would mean the cancellation of his plans to visit Ireland and see Mr. de Valera, and likewise the curtailment of his tour of the provinces and altogether banish his hope of visiting Scotland. He would, however, still have time to see much of the major industrial war effort of England. Among the towns included in his reduced tour were Coventry, Birmingham and Manchester.

Mr. Willkie is continuing to rub shoulders with "ordinary folk" in order to gain their impressions. As he explained today, there were two sides in war, material and moral—and he wanted to make sure how ordinary people reacted.

Today he took a ride in an omnibus and chatted with some seamen. Mr. Willkie admitted that he had seen a "goodish deal" of London raid damage, and declared that what had impressed him was "the speed with which things have been put in shape again."—Reuter.



Old Forge Bombed, Carries on

A picturesque forge in Kent had been practically demolished by a bomb, but its proprietor cleared away the debris and had his smithy going again the next morning. Fortunately the furnace still worked.

Italian Ship Hit in Valona Harbour

Struga Yugoslavian Border, Feb. 1.

Five Allied planes yesterday bombed Valona, important Albanian seaport, setting afire an Italian ship in the harbour and dropping several bombs on the aerodrome, frontier reports said.

Other bombs damaged two houses in the town itself and killed six persons and wounded 17 others.—United Press.

Italians Beaten Back

Athens, Feb. 1.

Greeks broke Italian counterattacks in the coastal sector, inflicting heavy losses on Italians, a Government spokesman said today.

"Despite failures of repeated counterattacks," the spokesman said, "the Italians persisted in the attacks, this time in the coastal sector, where they threw in important forces."

"Italians retreated in confusion and were unable to reform and maintain their original position," the spokesman said. "Greeks pursued the Italians and occupied 1,500 metres of a mountain range beyond a point from which the Italians attacked."—United Press.

Greeks Advance

Athens, Feb. 1.

Greeks troops launched a counter-offensive against the Italians in Albania and attacked in the mountainous regions, a communique issued by the Greek High Command says.

Most important positions occupied by the enemy were captured, and nearly 150 prisoners were taken. An Italian tank attack was smashed at the outset on another sector, the communique states.

The repulse by Greek gunners of an Italian tank attack shatters one of the main hopes on which General Cavalliere had based what appears to be a last effort in "desperate counter-attack. According to reports reaching London the tanks were the latest models Italy was able to put into the field, but the Greek guns gave them a terrible hammering and they all either turned back or were put out of action."

Tepelini Withdrawal

Unconfirmed reports from Athens state that Tepelini is in Greek hands or at least that the Italians are withdrawing from Tepelini towards Valona.

The Italian High Command communique states that there has been normal patrol and artillery activity on the Greek front, and says that enemy troop concentrations had been attacked and harassed by aircraft.—Reuter.

Explosion Kills Seven At Gibraltar

Gibraltar, Feb. 2.

Six soldiers and one civilian were killed on Friday in an explosion on the north front defence works of Gibraltar. A quantity of explosive used in blasting operations was accidentally detonated. Damage was comparatively small.—Reuter.

The European War, February 2.

Luftwaffe Aids Italians

German Planes Reported Over Libya for First Time Since Drive West; Tripoli Raided

London, Feb. 2.

GERMAN airmen made their first appearance in action over the Libyan front in the past few days. They are supporting an 11th hour bid by the Italian air force to stem the tide of the British advance towards Benghazi, says Reuter's air correspondent.

This was revealed by an Italian High Command communique which claims raids on the coastal bases of Sollum and Bardia and on shipping on the North Africa coast.

Aircraft in which Germans are believed to have made one attack on British forward positions were not identified with certainty.

It was learned that they were protected by Italian fighters and that observers on the spot were persuaded from the manner in which they made the attack, that the pilots were German. It was noticed, also, that the planes did not appear to carry the usual Italian markings.

Flight Possible

It is probable that they were German planes and crews operating from Nazi bases in Sicily, the chief city of which is Catania, 530 miles from Derna. The return flight is just within the 1,300-miles range of the Junkers-88 dive-bombers.

Heinkel-3 bombers, with which the German air force in Sicily is known to have been lately reinforced are able to make the return journey comfortably.
Such offensive sweeps from Sicily against British troops in North Africa would be the natural extension of German air aid to Italy at the present juncture. It does not follow that such German help will be on a large scale.

The Luftwaffe faces great difficulties in establishing its own bases in Libya in the existing conditions. But Nazi bombers of limited range and fighters could operate from Sicily on a limited scale after refuelling at advanced Italian aerodromes.—Reuter.

Tripoli Raided

Cairo, Feb. 2.

Royal Air Force warplanes on Friday night heavily raided Tripoli's docks and bombed three merchant ships, the R.A.F. communique said yesterday.

British bombs hit two 8,000-ton vessel and one 4,000 ton ship, the communique reported.

British planes also raided Barce, Italian coastal outpost northeast of Benghazi, Italian Libyan headquarters, the communique said.

Bombs bursting among seaplanes in Tripoli harbour destroyed one and damaged others, it said. Other bombs straddled seaplane hangars, causing explosions, which were followed by clouds of black smoke. Several fires were started.—United Press.

March Continued

With the British Army West of Derna, Feb. 2.

The westward march of British Imperial forces on the shores of the Mediterranean continued yesterday. From a distance of 50 miles inland Italian columns were retreating towards the Libyan coast.

An estimated 500 Italian planes had been destroyed on the ground alone since the drive started.

The Italians converted tanks into miniature forts, building stone emplacements around them. They put up a stiff fight until British mechanized units ringed them.

Meanwhile, a French racing camel corps was harassing the enemy at an oasis hundreds of miles inside the southern Libyan frontier, creating a new front.

Italian forces still were holding out at Jerabub, south of Bardia near the Egyptian border, but they were entirely isolated.—United Press.

Road Cut By British

Cairo, Feb. 2.

British motorized forces have cut a 15-mile road which links the strategic towns of Agordat and Barentu, in Eritrea, thus isolating Italian forces in either place.

It is estimated that the enemy has one division at Agordat and one at Barentu.

Fairly heavy fighting is raging around both towns, where the enemy is occupying prepared positions and showing signs of greater resistance, it is learned in Cairo. British motorized units have been operating over difficult country of the desolate Eritrean plateau.

Meanwhile, the work of bringing up British reinforcements of men and material after the rapid 100-mile advance is proceeding steadily.

From Kenya it is stated that strong patrol activity is continuing all along the frontier, while fighting is in progress at Moyale.—Reuter.

Strong Indictment of Nazis in Uruguay

Montevideo, Feb. 2.

The Uruguay Supreme Court yesterday denied bail to eight Nazi leaders charged with an anti-Government plot and sweepingly indicted Nazism.

The Nazis are attacking "the very essence of our existence as an independent nation," the Court said.

Those arrested included a German radical movement director, Herr Arnold Fuhrman, whose plan involved seizure and use of Uruguay as a wedge for Nazi conquest of South America with the aid of shock troops of National socialist youths and glider organizations, which would be trained on military landing fields.—United Press.

Peak Rushed at Point Of Bayonet

London, Feb. 2.

An important mountain peak, known as 1900 and originally organized as a defensive position by the Government of ex-King Zog of Albania, was captured yesterday by Greek troops at the point of the bayonet after an all-night battle.

This was among several successes in various sectors of the front reported by the Athens Radio.

The Italians fought with great stubbornness and determination, but were overcome in the end by the furious onslaught of the Greeks and, after being dislodged, fled in disorder, completely routed. In their hasty flight from this one of Albania's most formidable peaks, the Italians abandoned great quantities of war material.

Another success yesterday occurred in the coastal area, when the Italians threw strong forces into a big counter-attack and received the severest thrashing they have had since General Cavallero assumed command. After suffering terrible losses, the Italians retreated in disorder and were unable to reform their scattered ranks.

Area Dominated

The Greeks, after pursuing enemy troops beyond their original positions, took possession of a line of peaks 5,000 feet high dominating the whole area.

To the north-east of this position, another lofty peak was captured with heavy Italian losses.

All Italian counter-attacks were thus repulsed and the enemy sustained a severe defeat.

The Athens Radio added that "the Greek army is now advancing steadily and successfully towards objectives set by the Greek Command."—Reuter.

Transport Sunk

Budapest, Feb. 2.

The Greek submarine Papanicolis recently sank a 10,000-ton Italian transport from Brindisi to Valona, the Greek radio, heard here, reported yesterday.

The radio stated that Greek troops had occupied a 1,500-metre height dominating the terrain north of Chirama on the Albanian coastal sector.

British bombers surprised and sent into a panic Italian troops at Tepeleni, the radio declared.

On the central front a desperate Italian counter-attack collapsed from Greek artillery fire.

In Athens the War Ministry communiqué noted there was local fighting at various points. "The Greeks captured important territorial points, many automatic rifles, mortars, various war materials and 270 prisoners, including some officers."

"The interior of the country is quiet," the Ministry of Public Security said at Athens. "The list of civil damage and victims of Italian raids December 29 to January 29: dead, 29 men, 21 women and 17 children; wounded, 40 men, 35 women and 15 children. Three hundred houses were slightly damaged and five churches, two schools and four hospitals were hit."—United Press.

"The 10,000 ton vessel sunk by the Papanicolis was the Greek submarine's fourth victim. The same submarine was engaged in one of the most amazing adventures of the Greek-Italian war in the Adriatic on Christmas Day.

During her patrol on this occasion the Papanicolis crept up to Valona Bay and at about noon on Christmas Day, sighted a convoy of six ships, the largest of which was of some 15,000 tons. The convoy was escorted by destroyers. "The Papanicolis found itself inside the destroyers' screen, fired four torpedoes, and dived to 170 feet as the crew heard explosions, indicating that three of their torpedoes had struck.

Currents swept the Papanicolis northwards, and she came to the surface after five hours, but was unable to steer because of the currents. The Papanicolis then found itself off the coast of Dalmatia. She later submerged for 30 or 40 hours above Valona. She was hunted by planes all the time, but finally reached an Ionian island and regained her base on two days later, receiving a tumultuous welcome.

Italian Tug Torpedoed

Split (Spalato), Yugoslavia, Feb. 2. Fifteen men were drowned, two others fatally wounded and two seriously wounded when an Italian tug was torpedoed by an unidentified submarine near an Italian island in the Adriatic Sea south of this central Yugoslavian port yesterday.

According to the report received



Men Known Here Now in Egypt

Included in this group are men of the Argyll and Sutherland Highlanders who will be well remembered for their tour of duty in Far East, which included garrison duties in Shanghai. This picture was taken during the British drive on Italian Libyan strongholds.

R.A.F. Raids Docks At Brest Harbour

London, Feb. 2.

The docks at Brest in German-occupied France were attacked last night by a small force of Coastal Command aircraft, states a royal air force communiqué.

The report adds that, despite unfavourable weather, patrols and reconnaissance flights were carried out and that two Royal Air Force planes are missing from these operations.—Reuter.

Britain Quiet

London, Feb. 2.

London was all-quiet early today and there had been no reports of air activity anywhere in Britain throughout the night.

There were no raids on London all day yesterday and only minor raiding elsewhere.

One person was killed, 10 were injured and residential and commercial buildings were damaged as German raiders staged a low-level attack on the East Anglian coast early in the afternoon.

The Air Ministry said bombs fell at several points in Norfolk and Suffolk, reporting that four sites were bombed and two machine-gunned.

Raiders were reported during the day over the East Midlands, Liverpool and the West Midlands, but they dropped no bombs.—United Press.

Lambeth Visited By Mr. Willkie

London, Feb. 2.

Lambeth Walk—the home of the London coster and the birthplace of the famous dance—was the scene yesterday of Mr. Wendell Willkie's pilgrimage.

As soon as the big American appeared there, he was recognized and surrounded by hundreds of singing and cheering people.

Declining offers of the police to free him from the attentions of over-enthusiastic admirers, Mr. Willkie shook hands with all and sundry, autographed many mementoes, including a bottle of whiskey, admired innumerable babies brought by mothers for him to see, and was taken by one person after another to see the wreckage of what were once their homes.

He was amazed at the way they could laugh about it, and one of his party afterwards described him as "touched, and terrifically moved."—Reuter.

here the tug carried a crew of 19 men.—United Press.

Britain's Aid to Greece

Athens, Feb. 2.

British aid to Greece is not confined to considerable supplies of war material sent to this country since the outbreak of hostilities, Reuter learns here today.

Greece is also receiving from Britain many consignments of food, clothing and medical supplies, including 350,000 pairs of boots and a corresponding number of socks, 450 tons of leather and hides, 2,000,000 lbs. of bully beef, and 2,200,000 lbs. of rice.—Reuter.

The European War, February 3.

R.A.F. Attack Invasion Bases

More Than 100 Spitfires, Hurricanes Take Part in Destructive Raids

London, Feb. 3.

MORE than 100 Spitfire and Hurricane fighter planes yesterday escorted R.A.F. bombers in sweeping bombing raids over German occupied areas of France, the Air Ministry announced last night.

The massive daylight attacks on German bases in France were believed to have been directed against Nazi preparations for an attempted invasion of the British Isles.

Following the daylight air raids on German bases in France, England experienced a quiet night last night. Up to an early hour this morning not a single German attack on the British Isles had been reported.

The Air Ministry said an American flight lieutenant shot down one of the three Messerschmitt fighter planes blasted out of the skies by the R.A.F. over France yesterday.

Three squadrons of Hurricanes were reported to have escorted a mass flight of bombers which attacked the docks at Boulogne, possible German jumping off place for an invasion of England.

Another three squadrons of Spitfires protected the bombers from above.

Barges moored alongside the quays at Boulogne were heavily bombed, the Air Ministry said. German fighters were said to have been "scared off" by the large number of British fighter planes and "refused to give battle," the Air Ministry said. British pursuit planes had to attack the Germans first in order to shoot down three of them, the communiqué reported.—United Press.

Gigantic Explosions

Folkestone, Feb. 3.

British bombers yesterday carried out one of their most severe attacks of the war against German invasion bases along the French coast.

Gigantic explosions in French ports could be heard on the coast here, but a heavy haze prevented observers from determining the exact location of the bombings.

The British bombers, in some cases escorted by fighter planes, crossed the coast here for hours on the way to France. Scores of heavy bombs were unloaded over French ports opposite Folkestone.

Making-up for Lost Time

Observers on the French coast witnessed several dog fights between returning British bombers and German fighter planes. The bombers, however, succeeded in driving the German planes off with heavy machine-gun fire and shot down one Messerschmitt near the English coast.

The extensive daylight raids on German invasion bases opposite Folkestone indicated that the R.A.F. was making-up for time lost during the past fortnight of heavy fog. The fog presumably permitted the Germans to rush preparations for an invasion attempt against England.

The return of sunny weather yesterday, however, brought R.A.F. and

New Phase of Greek Drive Across Albania

Athens, Feb. 3.

More local successes and further capture of prisoners were announced in a Greek High Command communiqué issued on Sunday night. The whole mountain range north of Klisura, nine miles long, is now in Greek hands, after successful operations during the last few days, which have principally been between Klisura and Berat, guarding the approaches to Valona and Elbasan.

The initiative remains in Greek hands despite recent desperate Italian counter-attacks. All Italian attempts to counter-attack have failed, and Greek forces have advanced steadily and have taken up new lines and positions according to plan.

The Athens radio stated that the recent operations were the beginning of a new phase of the Greek advance across Albania.

The announcer continued, "The very considerable successes of our army in the sector of the front extending beyond Klisura has obliged Gen. Cavallero, Italian Commander-in-Chief, to order the speedy evacuation of Italian forces in this important area. Foreign observers express the view that any attempt on the part of the Italians to check the tide of the Greek advance is doomed to failure because after repeated disasters their striking power has been very substantially reduced.

"Losses which the Italian forces sustained during the latest counter-attack are estimated by three observers to be as high as 40 per cent. of their total effectives."

Valona Raided

Bombers of the R.A.F. again attacked the Albanian port of Valona on Saturday, it is announced here. The raid was carried out despite bad weather. Warehouses and munition dumps were among targets effectively bombed and hits were registered on buildings.

According to the headquarters of British forces in Libya anti-aircraft fire was intense but the planes machine-gunned a battery from a low altitude. All the aircraft returned safely.—Reuter.

Italian Attacks Smashed

Athens, Feb. 3.

Twelve Italian attacks on a single front in Albania were smashed by Greek troops during the past week, the Greek Army announced last night.

The Italians on twelve occasions during the week unsuccessfully attempted to recapture a 1300 metre height from which they had fled earlier in the path of the advancing Greeks.

Italian efforts to recapture the height apparently ended on Friday with the twelfth attack, Greek Army quarters said. No attacks were launched in this sector on Saturday or Sunday, it was said.

Italian air activity over Greece on Saturday was described by a Greek Army spokesman last night as having been "unimportant and ineffectual."—United Press.

Rumanian Officers Assassinated

Berlin, Feb. 2.

Three Rumanian officers, one of them a lieutenant-colonel, were shot by an unknown woman in front of Bucharest University, says a German news agency despatch from the Rumanian capital.—Reuter.

Severe Restrictions

Bucharest, Feb. 2.

Summary execution for all persons found in possession of unauthorized firearms has been ordered by the Rumanian dictator, Gen. Ion Antonescu.

He has also instructed the army to treat any new attempts at revolt with the utmost severity and to fire on unauthorized gatherings not responding immediately to the challenge.

It is explained that Gen. Antonescu had previously ordered that rebels taken with arms should not be executed but that this "generosity appears to have been misunderstood."—Reuter.

New Labour Organizations

Vichy, Feb. 2.

New labour and youth organizations are to be formed in Rumania based on the Nazi system in Germany, says a message from Bucharest. The Iron Guard Youth Association has been dissolved and Rumanian boys and girls are to be reorganized on the model of Hitler Youth.

A new Rumanian workers organization on the model of the German labour front also is being formed. It will include all Rumanian workers, says the message.—Reuter.

Coastal Command planes back over the French coast in force.—United Press.

Winter Persists in Channel

London, Feb. 3.

Wintry weather has returned to the Straits of Dover, and early this morning there was a fall snow.

The North Channel was swept by a westerly northerly wind throughout the day.—Reuter.

Weygand Appeals To French Africa

London, Feb. 2.

An appeal to the population of French North Africa to collaborate loyally in the work of national reconstruction under Marshal Petain, was made by Gen. Maxime Weygand, French delegate-general to North Africa, broadcasting last night on the Algiers radio.

He warned his listeners not to give credit to rumours and propaganda designed to create unrest, and declared that drastic measures would be taken against all propagandists.

A translation of Gen. Weygand's appeal in Arabic was broadcast after he had spoken.

Gen. Weygand urged his hearers to "trust your leaders; they are fully aware of your difficulties. Responsible for the future of our country they have the task of smoothing them out."

Referring to the North African economic conference recently held in Algiers, Gen. Weygand said tangible results had been achieved. They must now put their house, upset by recent events, in order. It was an immense work but Paris was not built in a day.

Gen. Weygand emphasized the importance of "social action in the national revolution undertaken by Marshal Petain in our new Africa." He dwelt on the need for organization of youth and of labour and dealing with problems of refugees, housing, medical and social assistance. He stated that authors and spreaders of false rumours would be severely punished.—Reuter.

FOREIGN TELEGRAMS (continued)

British Forces Driving Deep Into Eritrea

Cairo, Feb. 3.

British troops have captured the town of Agordat, important strategic point in Eritrea on the railway leading to the Red Sea port of Massawa.

Announcing this success, a communiqué from British Headquarters says: "Yesterday morning (Saturday) British troops captured the town of Agordat, taking many hundreds of prisoners with guns and mechanical transport. Six Italian medium tanks, five light tanks and 15 guns also were destroyed. The enemy sustained heavy casualties during the final attack carried out by British and Indian troops with Royal Air Force co-operation. By dusk yesterday advanced elements of the British force were again in close pursuit of the enemy withdrawing towards Keren (50 miles farther east on the railway to Massawa)."

In the Barentu area operations are proceeding well while farther south Biacundi is now in British hands with more prisoners from the Italian forces which originally withdrew from Umm Hagar.

As a result of these actions coupled with patriot activities Italian troops withdrawing from the Walkait district have been obliged to abandon the bulk of their mechanical transport and are now trying to make their way eastwards by mountain tracks.

Italians in Full Retreat

In Abyssinia following British pressure in the Metemma area the enemy is also in full retreat on the Metemma-Gonder road closely followed by British mobile troops. Pressure by British troops continues in all sectors of Italian Somaliland across the Italian frontier resulting in a general falling back of the enemy's advanced lines.

Regarding Libya the communiqué says that the concentration of British forces in the area of west Libya is proceeding.

Italy's East African empire has taken more severe knocks with the fall of Agordat, the falling back of the armed advance screen protecting Somaliland and the full retreat of forces which had held up the British penetration into north-east Abyssinia from Metemma.

The Axis High Commands report intervention by German bombers in the war in Libya but British Headquarters in Cairo says concentration of British forces west of Derna is "proceeding smoothly" and R.A.F. fighters which maintained patrols over Libya yesterday suffered no loss.

German Bombers Active

It is considered probable, writes Reuters air correspondent, that German aircraft attempting to harass the British advance in Libya are long-range bombers operating direct from Sicily though it is possible for shorter-range bombers to take part after refuelling at Libyan aerodromes.

Following the capture of Agordat British troops yesterday were pressing on the town of Keren, 50 miles farther east. Keren is probably not defended as well as Agordat but the tempo of the British advance is now expected to slow down somewhat as the mountainous nature of the terrain favours defence.

Agordat was held by a large garrison, part of which evidently escaped despite the capture of several hundred prisoners.

A military spokesman here said the Italians at other points are now in a "very sticky position." They are virtually surrounded though they may hold out for a few days yet.

Meanwhile British shells are raining on the Metemma-Gonder area as British mobile forces chase the Italians into the interior of Abyssinia.

Surprise in Abyssinia

The Italians in this sector appear to have been taken by surprise as they had expected to be faced only with guerilla warfare by Ethiopian patriots and not with regular military action such as is now occurring.

The success at Agordat and the advance on Keren point to an early attack on Asmara itself which is a very important Italian hill position from which the British could descend upon Massawa.

The retreat of the defenders of Barentu is now gravely imperilled.

With the natives of Abyssinia rising in revolt which has been carefully prepared, the Italians may be forced to concentrate round Addis Ababa for a final stand, their situation in Abyssinia is believed to be growing desperate.

Bombers of the South African Air Force operated on Saturday in support of the British advance in several parts of Italian East Africa. They attacked Assab, Italy's second Eritrean port, where munition dumps were hit.

Attacks also were made on concentrations of motor transport at Mega and Javello and on aerodromes at Zula and Lahga, where direct hits were obtained on military buildings.

R.A.F. Destructive

An R.A.F. communiqué reports that offensive fighter patrols, bombing raids and reconnaissance flights were continued throughout the Middle East on Saturday and from all of them the planes returned without loss.

Normal fighter patrols were maintained in Libya. Two damaged enemy aircraft were observed on the ground at Barce. A number of enemy planes flew over Malta, were attacked by British fighters and two Fiat biplane fighters were destroyed.

Operations included a raid on the Albanian port of Valena.—Reuter.

Flank Attack on Barentu

London, Feb. 3.

British forces began a flank attack on Barentu, deep in Eritrea, from the north after the Italians blew up an important bridge in front of Barentu, it was announced here today.

An estimated 7,000 to 11,000 Italian troops were said to be defending Barentu, on which the British pressed large scale operations after capturing Agordat.

The British last night had almost encircled Barentu which now was said to be cut off from all supplies due to the fall of Agordat.

Italians had only one way open to retreat from Barentu, back over a rough, ravine gashed, hilly country which is thick with Abyssinian insurgents, it was said.

Military sources here said it was now possible to see the shape of the British military plan in northern and eastern Africa.

No Escape

The plan apparently was to push one claw of the offensive from

Canada to Send Great Army Home

Ottawa, Feb. 3.

A great army of airmen, infantry and armoured units is going overseas this year, declared Mr. W. L. Mackenzie King, Premier of Canada, in a broadcast yesterday.—Reuter.

Agordat toward Asmara and Darentu, both claws then would be able to close on Asmara.

A third force was said to be pushing the Italians back toward Adowa and a fourth column was said to be moving from the Gondar area to meet the retreating Italians.

Which ever way the Italians turn they will meet advancing British columns and Abyssinian guerrillas, said military authorities.

Military sources estimated an equal number of Italian troops were in Eritrea and Abyssinia—both with their backs to the Red Sea from which there would be no escape.—United Press.

Invasion Attempt Foreseen Soon

Ottawa, Feb. 3.

Mr. William L. Mackenzie King, Canadian Prime Minister, yesterday in a radio broadcast predicted that Germany would make a tremendous effort to destroy the British Empire "within a very short time."

Simultaneously Mr. King revealed that Canada was planning to send overseas a third Canadian division and a fourth armoured division.

Canada also expects to double its naval strength and naval personnel, the Prime Minister said.

The Empire air training plan, he said, will be in full operation in September, eight months ahead of the present schedule.

The Canadian Royal Air Force of 36,000 men will be doubled by next December and the present 1,700 planes will have been increased to over 4,000 by the year end, he said.

Twenty-five new Canadian squadrons, composed of graduates of the Dominion air training programme, are now nearly ready to be sent overseas where Britain will finish training them and will equip them, Mr. King said.—United Press.

Invasion Warning

London, Feb. 3.

The British press warned the people of England to prepare for an imminent German invasion attempt yesterday after the R.A.F. had carried out extensive bombing and reconnaissance flights over German invasion bases along the French coast.

The invasion warning came after brilliant sunshine early yesterday permitted British reconnaissance planes to survey the state of German



German "Ace" Shot Down

From the "notches" on his plane the pilot of this Messerschmitt was one of the German "aces," as he claims to have shot down seven Allied planes. However, he met his end during a flight over England, where the R.A.F. proved too good for him. The picture shows Tommies counting the "notches" in the wrecked plane.

Invasion preparations for the first time after two weeks of heavy fog.

The British press warned that a prelude to a second "Battle of Britain" had begun with the resumption of intensified German reconnaissance flights over the British Isles. All civilians were warned to be doubly alert and Major-Gen. J. F. C. Fuller, writing in the "Sunday Pictorial," urged the populace to hoard sufficient food to last several weeks.

The "Sunday Express" warned the people that any collapse of the civilian front, which was one of the important factors in the collapse of France, would have a similarly adverse effect on Britain.—United Press.

Mr. Willkie Tours Bombed Cities

London, Feb. 3.

Mr. Wendell Willkie started his tour of bombed provincial cities in England on Sunday with visits to Coventry and Birmingham. He was first conducted through the ruins of Coventry Cathedral by the Bishop and was evidently impressed by the devastation he saw.

At a press conference Mr. Willkie stated the impression formed by his tour of Coventry led him to believe that the destruction described in American newspapers had not been exaggerated. He was greatly impressed by the high moral shown by citizens and had seen no evidence of depressed spirits or of giving up. He regarded the fact that the tower and spire of Coventry Cathedral had escaped destruction as being symbolic.

After his tour of Birmingham Mr. Willkie said he had been impressed by the organization of so-called "shadow" factories. Referring to

damage in Birmingham he said he had been surprised at its extent, "but the reconstruction which I have seen put into operation is a perfect example of how a city can recover."

He added that without the moral, courage and steadfastness which he had seen everywhere this reconstruction and recovery could not be done. "I personally hope that America will give you such aid that with such steadfastness and courage you will shortly win through," he said.—Reuter.

No Drastic Action In France Seen

Madrid, Feb. 3.

Herr Hitler's reply to Marshal Petain's Christmas message was probably a short letter couched in cold terms, according to Spanish correspondents in Berlin. Wilhelmstrasse circles are apparently extremely noncommittal on the subject but Spanish observers in the German capital seem to agree that Germany does not contemplate any drastic action at least for the present.—Reuter.

Petain Seeks Solution

Vichy, Feb. 3.

Marshal Philippe Petain, Premier of France, yesterday renewed efforts to solve the current crisis in the French Cabinet so as to allow the resumption of collaboration between France and Germany.

Marshal Petain sent Admiral Francois Darlan, French Navy Minister, to Paris to confer with Herr Otto Abetz and other German emissaries regarding the Cabinet crisis in Vichy.

The visit of Admiral Darlan to Paris is expected to settle the question of the return of M. Pierre Laval, former Vice Premier, to the Petain Government. The German Government thus far has insisted that M. Laval be permitted to return to the Vichy regime.

Laval Return Essential

The German-controlled French press in Paris said yesterday that the return of M. Laval to the French Cabinet was a fundamental condition for the resumption of collaboration between Germany and France. Franco-German collaboration has been disrupted since December 13 when Marshal Petain ousted M. Laval from the Vichy Government.

With Admiral Darlan's departure for Paris, the dangerous crisis in Franco-German relations reached its climax with a move one way or the other expected within 24 hours.

France's future now hangs on Marshal Petain's reply to Chancellor Adolf Hitler's firm insistence that M. Laval be reinstated in the Vichy Cabinet.

The official German news agency, DNB, said in a despatch from Geneva yesterday that Admiral Darlan was seeking "initiative conversations" in Paris, but that Paris quarters "consider the time for conversations inopportune until Vichy gains a clear recognition of the present situation."

The German report appeared to indicate that unless Admiral Darlan is prepared to submit fully to Chancellor Hitler's demands, the deadlock in Franco-German relations will continue.—United Press.



Burning Remains of a Heinkel III

A photograph of the burning remains of a Heinkel 111 bomber, brought down on Beckton Marshes when attempting to bomb London by night.

SPECIAL ARTICLES

LONDON NEWS AND NOTES

By O. M. GREEN

Now and then, when night conditions seemed favourable enough and our own men have gone over Germany all right, the German attacks have been less than might have been expected. This may be due to a part of the German force being diverted to the Near East, or to the state of the French aerodromes. The R.A.F. when in France a year ago found that there were many days between November and March when it was quite impossible to get off the porridge-like ground. Fog is also a great deterrent from night flying owing to the extreme danger of landing. Indeed experts think that more German planes may have been wrecked in landing after a night flight than any other cause.

One respect in which we undoubtedly beat the Germans hands down is in the number of accidents in training. Although they have never published their flying accidents, we know that the Germans expect a casualty rate of one in four. No figures are published now of ours but they are authoritatively stated to be nothing even remotely like that. The secret lies in preliminary tests of the initiate's general abilities. These tests have been worked out by long experiment, until it has become perfectly possible to decide on a newcomer's aptitude for flying before ever he leaves the ground, and even whether a man would do better as fighter or bomber. The R.A.F. claim that in these preliminary examinations we are fully two years ahead of the Germans. But naturally they are not saying how it is done.

Several people have been warning us that Hitler will try to invade England before long. There is usually no lack of days in the winter when fog, dead calm and a flat sea would favour such an attempt. Also the Germans have recently mounted several more long-range guns round the Channel ports and they are unlikely to have done this for fun.

It is not merely wishful thinking to believe that a short war is urgently necessary to Hitler. That is always the German principle: they believe in their ability to win by a few hammer blows, but are not so confident in their staying power. So Hitler must "do us in" as quickly as possible and the only way to do that is by an invasion.

These thoughts, were in Members' minds recently when some very pressing questions were asked in the House as to whether the Government are using all the powers they have for the complete mobilization of all our industrial forces for the winning of the war. The fact that there are still some hundreds of thousands of unemployed men, and that many more women are available (and are urgently needed) for war factories, is not reassuring. There is no doubt but that all our fighting men would welcome a German attempt to invade us. But what if it does not take place?

Having weathered the very serious peril we were in after Dunkirk—why Hitler did not attack us then is the big mystery—and having smashed the aerial blitzkrieg, are we in danger of falling back into the complacency of last autumn when Ministers continually assured us that time was on our side? Assuredly there is no risk of that in the Prime Minister's office. But it may be as well that Parliament has begun to interest itself in the matter.

I went through Bream's Buildings (between Fetter Lane and Chancery Lane) for the first time since that neighbourhood "copped it." The mess made was considerably though no buildings were actually blown down. But there were some bad fires. On my return later I should not have known that any damage had been done.

Very satisfactory progress has been made in the general cleaning-up organization of London since Sir Warren Fisher was appointed Special Commissioner for London Civil Defence. He now has under his orders several thousand soldiers and 5,000 civilians. The latter force are to be increased. A number of Welsh miners, thrown out of work by the collapse of France, have been brought to London, where their work is a wonder to behold. Bus services are running well along accustomed routes in fact almost too well. In order to cope with any possible dislocation of the underground several thousand buses have been imported from the provinces and at the rush hours we get such traffic jams as we have not seen since before the war. But as Mancunians like to see their skies full of smoke and soot, so Londoners much prefer to have their streets blocked than empty. There was something weird and unwholesome about the emptiness of the streets in the war's earlier days.

Meanwhile the cleaning-up is very welcome. Its psychological effect is great and the sooner you get on to the sorting out and removing of a pile of rubbish the more salvage there is.

The announcement that Gullsborough House in the centre of the Pytchley Hunt in Northamptonshire with all its contents was to be put up to auction caused a real

sensation, opening up as it did suggestions of espionage worthy of the best romance. Gullsborough House was for several years the property of a Capt. Robert Treck, formerly of the German Army. He paid frequent visits to Germany but always maintained that he preferred to live in England, both for general reasons and particularly for the hunting.

He evidently had lots of money, for he and his wife (a Chilean) entertained on the most sumptuous scale and were very popular in the most fashionable hunting world. Everything he had was of the best, horses, guns and clothes. He spoke English perfectly and seemed to regard England as his native country. And then just before the war broke out he disappeared to Germany and has never returned. It is generally taken for granted that he had been doing some very high-class spying (of the "Thirty-nine Steps" order). Whether he found out anything worth having he and Hitler know. But evidently the latter thought it worth while to pay him well.

There is an outcry against profiteers. Not the manufacturers of aeroplanes and guns, who are sufficiently shorn by E.P.T., but hotel and lodging-house keepers in "safe" towns, who have stirred public wrath. Names had better not be mentioned, but I know of one where no hotel now will quote for bed and breakfast; they charge by the day and at three times pre-war charges. A friend stopping at this town recently for lunch in a very modest restaurant was charged 3/6 for a table d'hôte for which Lyons would have been ashamed to charge 1/- and exorbitant charges are also reported for removal of furniture from bombed homes. Some firms have been definitely blacklisted by some municipal authorities who have taken on the removal themselves. One cannot altogether blame hotel-keepers in "safe" areas. They might argue not unjustly that people who can leave their homes and live elsewhere doing nothing can afford to pay for it and that hotel-keeping is always a precarious job in which one must make hay while the sun shines. But to squeeze the unhappy people who have been bombed out of their homes is surely the height of meanness.

Prices continue to go up. The laundry is the latest industry to put up its prices, by 25 per cent. Milk is reduced by 10 per cent. Some one is said to be trying to corner turkeys, the first time, one imagines, such a thing has ever been done to these dignified birds. On the whole we have little to grumble at. Think of France!

STRAY NOTES

Jan. 26.—My mind reverted to broody hens today when I read the sad story of a small boy who put quail's eggs under a hen that "wanted to set"; the eggs hatched too soon and the baby quails popped off to the woods leaving the father fowl feeling more broody than ever. Quails, by the way, will sometimes hatch out in 16 days and the eggs referred to above were possibly half incubated when the boy moved them. A hen left to herself would probably begin to brood after laying a dozen eggs (note that Jungle Fowl seldom lay more than 9 or 10)—but the chicken farmer keeps taking the eggs away so that the poor deluded bird continues to scratch and feed and lay in the vain hope of getting a family together; and then if she does go broody once in a year, the old-fashioned hen-keeper dips her in cold water "to cure the fever",...and probably kills the bird with the consequent chill: Chinese farmers tie the poor wretches up by the leg or tie a piece of cloth round one foot, in the hope that the consequent discomfort will dispel any romantic dreams about families, but to what extent such treatment is successful I am unable to say. Many years ago when incubators were of the most primitive nature and could not care for the hatched chicks in cold weather, broody hens were often at a premium, and I have just been reading in an old English book a most amazing account of how capons were used as a substitute: the capons were first made very tame by hand feeding and then, on the arrival of the baby chickens, their breasts were plucked and the bare skin stung with nettles: immediately the small chicks were introduced they ran under the capon's breast...thus rubbing it gently and alleviating the stinging pain. After being stung and soothed in this manner for two or three nights, the capon not only continues to protect the chicks until they are grown up, but will subsequently treat new families "with the same tenderness as he did the former." It's sad to think that a once-gay rooster could be literally stung into assuming the duties of an amah.—E.S.W.

Jan. 29.—Before January records are put aside I must make a note about a bird called the Goosander: this is not short for "Goosie-goosie-gander" as might be suggested by the profane, but is the correct name for a bird classified by the experts as *Mergus merganser merganser*: it certainly seems a bit hard that you cannot call a bird a Merganser which has that word twice attached to its generic name; but the fact remains that when I referred to it as "Merganser" or "Goosander" I was told that I must use "Goosander" only, the name Merganser being reserved for other birds such as the Red-breasted Merganser. This large saw-billed duck (the Goosander, I mean) is seldom seen in these parts and I was therefore pleasantly surprised when one of them appeared quite close to me in the Hungjao country on January 2 this year and I had for-

gotten all about it until, happening to look through some of Charles Gayot's notes, I found that he killed a Goosander at Lung-hwa on January 2, 1918—his only dated record of the bird! My view of this bird was a sight not easily forgotten: the crested head and neck, black shot with green, looked merely dull, but the salmon-pink glow of the underparts showed clearly in the early morning light and reminded me of those soft pink clouds which are sometimes seen at the beginning of an autumn sunset...a really beautiful colour with a vivid glow which can hardly be imagined as existing without the sun behind it. This Goosander is typical of many wildfowl—whose brilliant colouring can never be seen properly in dead specimens: the "soft parts" of birds change colour quickly after death and it is safe to say that many delicate shades in the plumage change as well: feathers hold their colours very well, but just as flowers fade, and the brilliant colours leave a fish's scales almost as you look at them, so will a bird's plumage go dim when the spark of life has gone.—E.S.W.

ALONG THE HIGHWAYS

Jan. 27.—The year of the Dragon has ended: 'the year of the Snake commences today. We are being wished "Kung shi fu tsai!" by all our Chinese friends. We saw a kind elderly lady distributing new bank-notes of small denomination to children and rickshaw coolies on Route de Boissezon. Many people are happy today but we are rather sad. The lashings of the Dragon's tail were too powerful for many human beings and also numerous trees that we had looked upon as friends. The trees were not only friends of ours: they were the friends of all those who had sought and received shelter beneath their spreading branches during the hot days of Summer and of the countless thousands who had admired them during their long life. We cannot think of those trees without recalling that beautiful poem of Joyce Kilmer:—

A tree that may in Summer wear
A nest of robins in her hair;
Upon whose bosom snow has lain;
Who intimately lives with rain,
Poems are made by fools like me,
But only God can make a tree.

We are alive to tell the tale; but many of our old trees are not: some have gone, never to be replaced in our time: others are making and will continue to make, a bold attempt to regain their past glory: to once again look down upon an endless stream of amateur photographers. We shall miss those trees that have suffered under the cruel hand of man during the year of the Dragon. We cannot forget the lost Cedars which prompted us to refer, some time ago, to "Solomon's army of hewers" or the loss of our favourite Magnolia group. We have often deplored the activities of those people who, for many years, have broken branches off our street trees for fuel. They would never understand those words of Joyce Kilmer, quoted above. We have recently received several messages regarding the fate of some of our finest trees and we were reminded of those lines written by Shelley as we listened to the reports:—

They knew that Satan had broken his chain,
And with millions of demons in his train
Was ranging over the World again.

Fine old Elm trees along the sides of creeks and roads have been cut down for fuel as well as many other trees in the country. The unkindest act of all has occurred close to "Murray's bungalow": the three stately Ginkgo trees have been destroyed!!! We feel that sacrilege is too mild a term to use in connection with the cutting down of those veterans, they must have been planted for some special purpose many long years ago: perhaps they marked the last resting place of some prominent person or may be a wayside shrine. It was a crime to cut them down. We wonder why they were destroyed: perhaps they will be cut into short lengths for sale as firewood or into sections for use as meat chopping blocks; but why was it necessary? We admit that we are passing through most difficult times; but the average countryman is no worse off than his town cousin and the cost of living in the country is generally less. Moreover, many country people were able to earn a lot of extra money carrying rice into town during the season. If the number of persons who were engaged on that job may be taken as a guide, it must have been a very lucrative business. Perhaps we should look further away for the reason why the old trees have been destroyed. It may be that the importation of firewood from ports south of Shanghai is restricted these days and that the demand for wood of any kind has become so great that the cutting down of trees to supply household requirements is now a most profitable business. We hear of trees being exchanged for rice: this is a very sad state of affairs and if we could only make ourselves believe that the whole business was necessary, we may find some little consolation for the loss of our trees; but we cannot believe it is necessary and we can only hope that someone will write a Lament that will do justice to the old veteran Ginkgo, the largest of which was about four feet in diameter, measured five feet above ground level.—W.J.K.

Jan. 29.—We picked our first Violets of the season this morning: the plants were growing in a sheltered position and the flowers were quite large and so deliciously fragrant. It is much nicer to write of these delicate modest blossoms than to record wholesale tree destruction. There is something fascinating in picking a bunch of violets so early in the season and binding the flowers together in their leaves. We have some in pots that have been producing flowers for some time; but, beautiful as they are, they cannot be compared with outdoor blooms; or is it our imagination that makes the outdoor blossoms appear more attractive! The Violet (*Viola odorata*) grows so easily that we are afraid many people do not

IN PARENTHESIS

Relief

"I'm afraid your husband's had an accident and been taken to hospital," said the policeman who had just knocked at the door.

"Heavens, what a shock you gave me — I thought there was something wrong with my black out!"

Taxi!

A TAXI was creeping slowly through the New York rush-hour traffic and the passenger was in a hurry.

"Please," said the passenger, "can't you go any faster?"

"Sure I can," he replied, "but I ain't allowed to leave the taxi."—Yellow Strand.

Colourful

AN order issued by a certain army command in Britain is an example of how official pronouncements can brighten the dullest day.

It refers to certain coloured leave passes, and runs as follows: "Members of the Women's Auxiliary Territorial Service will show their pink forms whenever called upon to do so."

Some Modern Signs

"I'm repairing all kinds of shoes in English, French and Hungarian languages."

"Moonlight picnics in this grove every Wednesday night, rain or shine."

"If you see anything you don't want ask for it."

"All packages, and grips left and not checked must be checked or cannot be left in depot."

"Cotton stamps exempted here."

Mum's the Word

THE lot of Government officials has not been made any easier in these days of vanished signposts, as was discovered by one of them when he lost his way recently in a Lancashire village. He asked three old men seated on a doorstep to direct him to the place he sought, only to meet with deep suspicion.

At last said one of the ancients (pace experts in Lancashire dialect): "What dost think we've taken all t' signposts down for?"

The puzzled official asked where he might get this seemingly dangerous information.

"Tha' can try t' police station," he was told, helpfully.

Glad to see a way out of his difficulty, he then inquired where the police station was.

"Nay," exclaimed the outraged guardians of State secrets, "tha' don't reckon we're telling thee wheer that is!"—Manchester Guardian.

Financier in the Making

WILLIAM Rockefeller used to tell with delight a story illustrative of the financial genius of his famous brother John.

When John was a little fellow, a so-called Indian doctor visited the town. The doctor, in order to get trade started, took out a bright new silver dollar and said that he would auction it off.

"How much am I bid," he asked, "for this bright silver dollar?"

But the crowd was cautious, silent, suspicious. No bids were heard.

"How much am I bid?" shouted the Indian doctor again. "Come, come, gents! A nickel, a dime?"

"I'll bid a nickel," piped John D. Rockefeller, at last.

"The dollar is yours, boy," said the doctor, "Hand up your nickel."

"Take it out of the dollar," piped little John D., "and give me 95 cents change."

The Parrot Died

NAZIS dining at a restaurant in Paris the other day were startled to hear a shrill voice from the proprietor's quarters shriek: "Down with the Germans!" Angriely they sought out the miscreant—and found him to be a parrot.

The proprietor was accused of teaching the bird those seditious words. He protested his innocence. "That parrot has been saying the same thing ever since I bought him twenty years ago," he explained.

"You mean he learned it during the last war?" said the lender of the indignant Nazis.

"No—during the war of 1870," was the surprising reply. "Listen for a minute, and you will see I am speaking the truth."

The Nazis listened.

"Down with Bismarck!" cried the parrot. His owner was pardoned; but the Germans are a humourless race, and the feathered patriot was sentenced to death for his crime against their grandfathers.—Everybody's.

consider it worth while to give the plants much attention: they are left in beds, undisturbed for years. If those people could only see the plants we picked our flowers off today, we are sure that they would change their policy. The plants were sheltered, but not by a wall: they were growing on a sunny bank with a shrubby border behind, through which they get currents of fresh air, which are so essential to their well-being: plenty of fresh air keeps away red spider and other pests so destructive to the violet or any other plant. They like partial shade in Summer and simply hate to become dry at the roots. When the plants are lifted in the Spring, manure can be incorporated with the soil before replanting takes place: this treatment will make the plants strong enough to stand much more hot sunshine and produce more and better flowers. They do not take kindly to forcing: heat and glass protection appears to tempt the flowers to open more than we like to see them; but an unheated frame, full of violets in flower, is a most beautiful sight and the fragrance of a mass of blooms is something to be remembered.—W.J.K.

FROM THE FOUR WINDS

Wartime Life at Home

Visitor to Shanghai Tells of Marvellous Spirit and the Will to Win

BY RALPH SHAW

Shanghai, Feb. 2.

"AS far as the ordinary man and woman, especially those who have suffered during recent air raids, are concerned there will be no peace until Hitler is defeated." From the most humble of workers in England to the highest in the land these are the sentiments that are being expressed throughout the length and breadth of Great Britain today despite all that the Germans have done to break the moral of Britons as they broke the moral of others. This news was imparted to me a few days ago by a man who had seen Londoners, Liverpoolians, Mancunians and others stand up to the worst that the Luftwaffe could hand out. He had seen them bombed out of their homes and take it with a smile on their faces. He had seen their fearlessness amid the frightful din of crashing bombs. He had seen the Britons that Hitler cannot defeat. It had filled him with pride to be able to call himself a compatriot of such folks, he proudly told me.

Many and inspiring were the stories he told of the heroism and unshakable faith of Britons in their country, whose ultimate victory was never in doubt. He, too, as a member of the British Merchant Navy, had faced danger from bombs and torpedoes, but of his own bravery he was loath to speak. Instead he gave me a vivid picture of England as he found it during a month's stay there quite recently when the German air force unleashed some exceptionally intense raids on London and other centres.

For instance he mentioned a friend of his in London, who had been rendered homeless by the explosion of a land mine dropped by a German plane. This brave fellow, it appears, was in bed with his wife and young daughter during a heavy raid. Upon hearing the deadly missile drop through the air in the vicinity of his home he immediately flung himself over the bodies of wife and child. Suddenly there was a tremendous explosion and the door of the room came hurtling across the bed, covering all three people. Then down came the ceiling, bricks and mortar. When they were dug out by rescue workers not one of the three people was injured—thanks to the door.

The gas stove was found intact in the middle of the street and, upon its discovery, there happened something that proves such Nazi methods will never beat the British people. The wife shortly before the raid had placed a rice pudding, which was to be cooked on the morning of the place. Upon reaching the street her first action was not a hysterical one as one would have expected after such an experience—she opened the door of the stove quite calmly and looked to see if her pudding had escaped unharmed. Needless to say it had not.

That family of three was rendered homeless. For weeks that followed they lived at night in one of the shelters but in the daytime the wife had the stove put back in its proper place and she was busy cooking the family meals as if nothing had happened. And she enjoyed the joke one afternoon when a genial old gentleman poked his head through a hole in the wall and blandly informed her that he had come to "join the planner" as ordered. "You'll find it somewhere in the garden," she told him. "If you can tune it now you're better than I thought you were."

Then there was the story of the old naval pensioner, a seaman on ships in the London docks. His home was near the arsenal at Woolwich—a target the Germans often aimed at but always seemed to miss. He had been bombed out of house and home end had slept for several nights under Silvertown arches. Was he dismayed? Not in the least.

A Sharp Retort

"I suppose you've gone to live somewhere quieter now?" he was asked when it had become known that he had secured another house in which to dwell. "Not on your life," was his reply. "I've lived in Woolwich for twenty odd years, and no—Nazi alive 'll get me out of it."

On the night that my informant's ship docked in London there was a fierce Nazi raid in which his ship was hit and in which the true worth of seafarers in danger was proved. The bomb hit the deck, pierced it and smashed through the cargo in the holds. Luckily it did not explode but for all the crew knew at the time it might have been a delayed action missile.

There were several men working in the engine room at the time. Most of them were Britons and some were Chinese. Not one man made any move to go on deck even though they all knew that a missile of sorts had landed below decks in dangerous proximity to where they were work-

ing. They carried on with their jobs even though threatened with death had the missile exploded. Luckily it was a dud and did little damage to the ship or the cargo.

At this point another seafarer, who had been on deck at the time, joined in the conversation. When the raid was most intense, he said, there had been a lull in the action. The A.F.S. workers, all singing at the top of their voices. Their destination was a bombed area in dockland and their song, curiously enough (probably a theme song) "Keep the Home Fires Burning." Before morning came they had been working for hours to put out one of the "home fires" they had been singing about.

In Liverpool

In Liverpool there were plenty of signs that the Germans had been there on numerous occasions but the life of that great port had not been disrupted in any way when this British ship berthed in the river and discharged her cargo. In the city itself there were public houses with whole fronts blown to bits. In full view of passers-by the Liverpoolian was taking his pint of mild and bitter and still enjoying it despite the noisy accompaniment of trams, buses and other vehicles in the street outside.

There was one popular dance hall in the city which had had all its windows blown out. Possessing rather a low roof which made things hot inside when a crowd gathered, it proved to be much more popular without windows than with them. When the management proposed to put in new windows there was a general outcry from the young Liverpool bloods and the windows stayed without glass until the weather grew too cold in October.

"You people out here," this seafarer told me, "have gained an entirely wrong impression of what is going on in England. You believe London is in ruins and that huge areas have been destroyed. It is not so. Naturally there has been some damage, especially in London, but to wipe out a whole city is practically impossible. As soon as houses and streets are bombed the debris is cleared away and builders get to work immediately, clearing away the mess and repairing the damage, for very few buildings are completely destroyed. They are only damaged."

In London the dock areas have suffered badly and so has the West End. In the Strand, at Trafalgar Square, in Fleet Street, Kingsway and in many other famous areas signs of German frightfulness meet the eye. But life goes on in London as it did in happier times. The buses still roar down Oxford Street in endless streams, past many damaged shops and department stores. The trams still run on the Embankment and Cleopatra's Needle is still there to remind one of the victories of the British Army outside the borders of the country from which the obelisk came.

Never Seen a Bomb

In the provinces life goes on as it does in London and there are plenty of towns that have never seen a German bomb. For instance at the end of September there had not been one raid on Rugby, in which town are situated the British Thomson Houston Co.'s vast works, the English Electric Co.'s plant and the Lodge Plug factory, which is on government work. In addition there are big railway works in the town which is an important junction on the L.M.S. Railway.

On Sundays it is still the custom for the whole family to go out for a walk in the beautiful English countryside and to finish up at one of those rural inns, where father has his beer, mother her stout and the kiddies their lemonade and packet of crisps. The Germans may shower

thousands of bombs over England but they will never jar the ordinary people from their old habits and customs; sure sign that British moral is as strong as it ever was.

Dealing with the food situation my informant told me that he had plenty to eat while he had been in England and that the quality of the food was as good as in his own country. In fact, he added, English food was, in fact, better than the eatables he had been served with in Shanghai. Prices for food were a little higher, he went on, but nobody grumbled.

The idea of keeping allotments, on which millions of English working folk spent their leisure hours in peace time growing potatoes, peas, lettuce, cabbage and other garden produce for their homes, has spread. Like wildlife and food allotments may be seen along railway embankments, on former commons and village greens and on large expanses of what formerly were uncultivated fields.

Comforts Appreciated

Meat, potatoes and bread were plentiful, he stated and there was no shortage of tea or coffee, although precious little of the latter is drunk by the average English family. There was also plenty of warm clothing, coming into England with the troops, soldiers and for the civilian population, he added.

At this point he showed me a warm green pullover which he wore. This had been knitted by some American lady and had been sent to England with thousands of other pullovers, scarves, socks and other woollen articles of clothing. And that American lady, had she been able to hear what this seafarer said about her gift, would have felt more than amply repaid for the time and trouble spent in making the article, Shanghai ladies, who are knitting comforts for the men, will be happy to know that their gifts are more than appreciated by the men who wear them. Their gratitude is unlimited.

Railway journeys in England these days are not too pleasant, my informant told me. As far as I remember they never were—to me anyway. He was coming into Euston from the north when the air raid siren sounded at Watford. Immediately the train slowed down but proceeded towards London. Looking out of the window he saw a German fighter make a smoke ring, the very which is a signal to the bombers that a target has been spotted. Usually the bombers aim through the ring, he stated, but on this occasion the only plane to appear was a British, which engaged the German.

Curiosity

It is on occasions like this that British moral may be gauged. Most of the people in that train believed that the fighter plane had spotted them and that the signal to the bomber meant that something very unpleasant was coming their way. There was no panic, however, and everybody rushed into the corridor to watch the sky as the anti-aircraft guns went into action—out of sheer curiosity. When Euston was reached the "All Clear" had sounded and the passengers were able to make their way to their various destinations.

The chief characteristic of the people at home these days appears to be an intense hatred of Hitler and all he stands for. There is no defeatism and everybody expects a British victory, although all are resigned to the fact that the struggle may be a long one. "If peace were declared without Hitler being defeated there would be a revolution in England," this seaman stated. "The folks are bent on smashing Germany and until then there can be no talk of peace."

Another factor which impressed this Briton was the boundless faith the people have in their leader, Mr. Winston Churchill. His popularity knows no bounds these days, even among those members of political parties, which formerly were in opposition to the ideals of the Conservative Party to which Mr. Churchill belongs. Naturally there is criticism of government methods, but none of that criticism seems to be directed at Mr. Churchill, who is recognized as the man who pulled England out of the soup after the tragedy of France.

Not Prudent, But . . .

He told many stories of the fortitude of British families during raids and of their refusal to move to safer places miles away from where they were employed. The people are resigned to the raids. If a bomb hits the house then it hits it and there's nothing more to be said, is the attitude adopted by most of them. While it may not be a prudent stand to take, it certainly shows that bombs have not reduced the English to the jittery stage that has been painted by the German propaganda officials.

Dealing with factories and their outputs, he stated, that the wheels of industry were turning night and day, rain or shine. He paid a visit to Coventry before the city was visited by mass formations of

London Carries on as Usual

Population Now Accustomed to Air Raids; Brown Paper Replaces Glass Over Blown-out Windows

Shanghai, Jan. 24.

STILL further confirmation of the manner in which Londoners are standing up under the Nazi raids is contained in a letter received in Shanghai. No one seems to be worrying unduly. The correspondent describes how he had his windows blown out by explosions near by and had to replace the glass by brown paper. Shortly after, the brown paper was also blown out no fewer than six times during one night. "I don't worry overmuch," he says. He also expresses wonder at the smartness of the London shop-girls after they have spent their nights in shelters under heavy bombardment. Extracts from the letter follow:—

I expect you are all anxious to know how we are faring in the present Strafification of London if I may coin a new word for it. Well so far, so good. I am still at the old address, 35 Craven St., and all though there have been several bombs and incendiaries in the close vicinity (I suppose I cannot name places owing to censor) we have so far been lucky. Cecilia still goes to office in the City every day and until a fortnight ago, was staying here with me. Her firm, however, have taken a big house at Maidenhead (about 26 miles from London) for their staff to sleep in. So Cecilia has now gone down there with the other girls. It is much better for her, as there is no company for a young girl here where I stay.

No Panic Seen

I will not waste paper telling you much about London as I know you get a very fair account in the "North-China," but if you are visualizing the people here rushing about, and diving into air raid shelters every time there is a warning, you have got the wrong picture entirely. I might tell you that the bombing is so promiscuous that no one is safe anywhere, and one comes across demolished buildings in the most unexpected places, a little quiet street for instance, or 15 miles from London itself.

The raids are pretty continuous at time of writing, and Jerry has just started again just after 7 p.m. and will continue right through the night until about 7 a.m. Then the day raiders start. But I must say that for the past ten days we have had comparatively peaceful nights in the centre of London. We can hear Jerry occasionally, and some of the nearer barrage, but it is nothing like it was a few weeks ago.

As for daylight raids, very few people take any notice of them now, although an occasional plane or two will get through our outer defence and drop a bomb or two and some people will get killed and a few more shops or pubs, or a church perhaps will be destroyed. So it seems we are definitely keeping him out.

From what I hear from my colleagues who live in the country Jerry must be jettisoning most of his stuff in the open country. It is hard to understand what he expects to gain from trying to intimidate us. He is simply wasting his time.

Every One Spick and Span

The thing that strikes me so forcibly is going to work in the morning. One sees the same crowds of people hurrying to their work, and the girls, many thousands of whom must have spent the night in an air raid shelter, trotting along, as spick German planes and there he saw the hundreds of factories busier than they had ever been.

Anyone who remembers Coventry in peace time will no doubt recollect how from the railway line, the city at night looked like a fairland with millions of twinkling lights blazing from the motor car factories situated in and around the town as the night shift men carried on with their work of producing cars for the English people.

Today there are no lights to be seen from the railway, but the factories are working at night as they were in the old days. Instead of cars they are turning out tanks and aeroplane engines and other snaws of war, which will bring victory to Britain. Still rolling into Coventry daily are the trains from Birmingham, Rugby and Nuneaton carrying their loads of workmen bound for the Riley, Daimler, Standard, and other plants.

This was the pleasure of England which he painted for me—a strange England to one who knew it only in peace time but an England that is fighting as it never fought before, an England that will win out because the people are determined to win out. No wonder Mr. Wendell Willkie was moved when he saw how the British are taking the war, never before has the British race been seen in a more favourable light. The final victory is on its way.

and span and cheeky as ever. Not a hair out of place, nails manicured and everything exactly as usual.

In my house for instance, I live in a basement flat, so I don't worry much, as except for a direct hit somewhere too close, perhaps it is fairly safe. But the rest of the tenants, some of whom are shop assistants in the big West End stores, well they are parked outside my door and on the stairs, yet they are up at about 6.30 a.m. and just as spick and span as ever when they go to office.

Another curious thing is how very many cases I have noticed of the same places getting bombed twice and three times on different occasions. It cannot be deliberate but just a matter of chance, for some of the places are insignificant little dwellings, as well as factories which are not engaged on any war work at all. It is astounding really.

Cables Twice Hit

At one place I had to repair a cable which had been damaged by an incendiary bomb. A few nights after a bomb splinter hit the cable in the very place in which it had been repaired. The other day a salvo of bombs dropped just outside the very same building. We had a bomb hit a basement portion of our office last week; luckily it could not have been a very heavy one, but it blew out every window in the building.

We had a salvo of bombs near my flat the other week just after I left for the office and blew all the windows out, except my front room. (Had to replace with brown paper). One night it was pretty bad nearby and the explosions blew all my brown paper down and I had to replace it not less than six times during the night.

The first few weeks I used to sleep fully dressed in case. But now I go to bed as usual. So you can guess that things must have improved some.

Raid Damage Not Important

Shanghai, Jan. 29.

Surprisingly little damage has been done to Britain's industrial centres in spite of the intensity of the Nazi air raids, according to a letter received from Bradford, dated December 10. The people of Britain are standing up well under the German hammering, and there is plenty of food for all. Extracts from the letter follow:—

You will be pleased to know that we here are all in good health and spirits. Mr. B. devotes a good part of his time to his duties in connection with the Home Guard, where he is responsible for a considerable detachment. The remainder of us carry on as best we can, and I have no doubt you will wonder how far we are from the normal.

From newspaper reports you will no doubt expect to hear that this country is nothing but a heap of rubble, but you may take my word for it that there is surprisingly little difference between the present conditions and those obtaining before the outbreak of hostilities. Some towns have had heavy attacks, but the effect is comparatively small. You will have heard from your people in Manchester that they have had visits, and although no doubt they were unpleasant, the results from an enemy point of view must be disappointing. Many months ago we had a heavy attack over the city of Bradford, but the results were negligible.

As I said before, we are all well, in good spirit, and looking forward to victory.

From some reports received from abroad it is obvious that overseas friends fear that we are on the verge of starvation here. In fact I received a box of biscuits from New Zealand. If it were not tragic that they should think such things, it would have been a joke. Some things are a bit short, butter for example, but we have all we need to keep life going—and a lot more. If we have nothing worse than at present I consider we shall be very lucky indeed.

London's "Beaten Tracks" Hit

Impressions of Correspondent Who Reached England After Hazardous Journey from France

Shanghai, Jan. 20.

SOME idea of the damage done to the best-known centres of London by Nazi bombers is given in a letter just received by a Shanghai correspondent from a correspondent at Home, who lost everything in a hurried evacuation from France and arrived in London in time for the worst of the Nazi air raids. He calls his letter a "dull effusion". Readers can judge for themselves.

London, Oct. 27.

You cannot imagine what a joy your letter was to me and how I lapped up all its intensely-interesting news. It was just grand to hear all the bits about the dear old friends—the next best thing to being amongst you all again.

And now—what has happened to us all? I don't know where to begin to tell you what has happened to us, and life is now such perpetual ruddy bluish that I must put it in a nutshell. We had a few hours' notice to quit Lyons, and left on June 17, just before the Boches walked in. We were too late to make Bordeaux and had to turn south, and eventually reached Sète on the Mediterranean. There we were stuck for five days, and on the point of trying to smuggle ourselves into Spain when by the grace of God a British destroyer put in, took us off, and dumped us on a troopship. We picked up a conveyance at Gib, and after a fortnight's fearful journey, arrived at Liverpool on July 8.

Everything Lost

We were only able to bring a couple of suit cases each, and have lost everything, of course. We had chosen nice stuff carefully, with a view to retirement, and now it is all gone. The last thing to abandon was the car, on the quayside at Sète. However, we were lucky enough to get away with our lives. At best we should have been in concentration camps by now.

After a fortnight's holiday I got a job in our London office, heaven be praised, and I am working in a canteen at the Beaver Club, Trafalgar Square (Canadian). It is hard work and I am always dead beat at the end of the day, but it is interesting, and the Canadian soldiers are lovely boys. A good many of them live in our boarding house (Bedford Place) and we have uproariously jolly times while the bombs are whistling around outside. D. says it is not safe here at night (nowhere is safe) so he sleeps in the shelter underneath the office, and I did too last week. But sometimes I can't make it before the sirens go and the guns begin, so then I sleep in the basement here with the rest of the household.

It would make you sad to see the wreckage of some of the dear old spots. Leicester Square is a shambles, and lots of others of our well-known "beaten tracks". Trafalgar Square has caught it badly, but Nelson still stands unperturbed. My club had seven incendiary bombs on the roof on Friday night, and it took the Fire Brigade five hours to put out the fire. The top floor is gutted, and all day on Saturday water was dripping on to our heads while we worked. However, order was soon restored and all the meals went through as usual, except that we couldn't manage the suet pudding. My chief job is fruit salad, of which I make enough for 250 portions every day—then dole them out. Also I have hundreds of small jobs such as milk shakes, sandwiches, ice-cream sodas, hot-dogs, flapjacks, etc.

Gas Mains Burst

My sister and her husband are well, and so far their house has been lucky enough to escape—touch wood! (All our back windows are gone). What a life! There is a lot to be said for it, because there's such heaps of variety—heaps of discomfort too when that blasted Adolf bursts the gas and water mains. But it's marvellous how quickly our people put these things right—we were only two weeks without water and three weeks without gas. And during that time they were bust several times. Now we are all right again until the next time. (There is a raid on now, and I can hear the devils flying over, and an occasional gun).

Piccadilly Circus has been bombed several times, and the Regent Palace has had a few incendiaries on the roof, but nothing of much importance. They have good shelters there. I am afraid this is a dull effusion and I wanted to write you something really interesting and cheery for Christmas. I do hope you and A. will have a happy day, followed by a real good New Year's Day, and topped off by everything you desire during the coming year. I know that I won't get my heart's desire. I want Adolf, all for my very own Christmas present—and a great big ruining machine. Pass Adolf through slowly, followed by Goering, Goebbels & Co., as seasoning, and invite all the dogs in London to dinner.

Mr. Roosevelt "Not Happy" on Birthday

Washington, Jan. 31.
President Roosevelt, in a brief radio broadcast on the occasion of his birthday yesterday, said it was "not a completely happy birthday" for him.

He added that in fact, "these are not completely happy days for any of us in the world." He felicitated the people of the United States because they were "still living under a free peoples' philosophy" while none of their cities were blacked out as in other parts of the world. "It is not that we are unconcerned with the plight of free peoples elsewhere," he said, "it is because we believe in and insist on the right of the helpless, weak and crippled everywhere to play their part in life—and survive."

"It is because we know instinctively that this right of the unfortunate comes under our free peoples' philosophy from the bottom up and can never be imposed from the top down."

President Roosevelt also thanked the supporters of his campaign against infantile paralysis. The President's birthday has become a traditional occasion on which to hold elaborate presidential "Birth-day Balls" throughout the United States and its possessions. Proceeds of the balls go to alleviation of infantile paralysis sufferers, particularly to the Warm Springs Foundation for sufferers at Warm Springs, Georgia, where the President himself recuperated from an attack of the disease.—United Press.

20-Year-Old Woman in Germany Decapitated

Berlin, Feb. 3.
Ruth Schubert, aged 20, the first woman to have died this year on the scaffold for espionage, was executed this morning. Decapitated with her was Karl Schaepper, aged 62, who was convicted of high treason. Three spies were executed in Germany during the month of January.—Reuter.

Mexico Clamps Down on Japanese Fishing

Sonora, Mexico, Feb. 2.
Gen. Abelardo Rodriguez, former President of Mexico, said yesterday the Government was now refusing to renew Japanese fishermen's licenses in an effort to break Oriental domination of west coast fishing. Gen. Rodriguez said the Government acted in the light of recent international developments.—United Press.

New Comet Discovered

Wellington, Jan. 28.
A comet observed from New Zealand on Saturday is now confirmed as a new discovery. It was sighted by Mr. A. McIntosh, of Auckland, when its position was at right ascension, 17 hours 21 minutes, and declination, 50 degrees 6 minutes south. It was moving south-east at a rate of five degrees daily.—Reuter.

New India C-in-C.

Bombay, Jan. 27.
General Auchinleck, new Commander-in-Chief in India, yesterday assumed command in succession to General Sir Robert Cassels.—Reuter.

Lord Lloyd Weaker

London, Feb. 3.
Lord Lloyd, British Colonial Secretary, had a fair night but is a little weaker, according to the Colonial Office announcement this morning.—Reuter.

Minister to Canberra on January 8, 1940 and the appointment was later confirmed by the United States Senate. Mr. Gauss's appointment followed the establishment of formal diplomatic relations between Australia and the United States.

Mr. Johnson first came to China in 1907 as a student interpreter and has had more friends among Chinese in all parts of the country than any other diplomatic representative in China.

Held Many Posts

Except for brief intervals when, from 1918 to 1921 he was chief of the State Department's division of Far Eastern Affairs, and from 1927 to 1929 when he was Assistant Secretary of State, Mr. Johnson has been constantly in China since 1907. In consular posts he served at such widely scattered points as Mukden, Harbin, Hankow, Changshan, Chungking and Shanghai.

Mr. Johnson was first United States Ambassador to China.—United Press.

Obituary

Greek Premier Dies After Operation

Athens, Jan. 29.
General John Metaxas, 69-year-old professional soldier who became Premier and "strong man" of Greece in 1936 and who rejected Italy's ultimatum for unconditional surrender on October 28, 1939, leading to the current Italo-Greek war, died here today at 6.30 a.m. from complications following an operation on his throat.

M. Alexander Corizis, former head of the National Bank of Greece, was appointed the new Premier.

Gen. Metaxas, according to United Press despatches from sources other than in Athens, had shown a slight improvement Tuesday night following an operation Saturday and a subsequent blood transfusion.

Twice exiled from his country, Gen. Metaxas returned to Greece, aided King George II to regain his throne in 1935, became Premier on April 13, 1936, and on August 4, 1936 became Greece's "pocket dictator" following the dissolution of Parliament by Royal Decree.

The 69-year-old military and political genius who had guided Greek destinies for more than five years, passed away after an operation performed several days ago.

Greece, still celebrating the victories which blasted Italian armies out of one third of Albania and put the supposedly superior mechanized Fascist forces into full retreat, went into deep mourning while Greek soldiers continued driving forward on the front.

Brilliant Pair

Military observers have credited the Greek victories to Gen. Metaxas and his chief of staff, General "Big John" Papagos.

Gen. Metaxas was educated in German military strategy, while Gen. Papagos studied under the most famous French officers.

The two men fought together against Turkey in 1907 and during the World War. After the war, when Gen. Metaxas came to power in 1936, they planned the Metaxas Line which guarded Greece on her Bulgarian and Turkish frontiers. When Italy occupied Albania, the Metaxas Line was extended to the northern front.

Military circles long have credited Generals Metaxas and Papagos with possessing a greater knowledge of Balkan geography, the key to any military success in this area, than any other European army staff. Legend has it that Gen. Metaxas has walked over every foot of vital military area in Greece and neighbouring countries and could have, if necessary, found his way blindfolded from one area to another. His knowledge, however, was so extraordinary that he personally supervised the drawing up of each tactical plan during the present campaign.

Ascended in 1936

From the troubled period of revolution which preceded the restoration of King George to the Greek throne, Gen. Metaxas emerged as the "pocket dictator" of his country in 1936.

Although he was the leader of a political party which held only seven of the 200 seats in the Chamber he was Minister for War, Navy, Air and Foreign Affairs.

Gen. Metaxas came to power as Greece's strongest man after a checkered career. Twice he was forced to flee from his country and live in exile. He was a strong royalist.

Born in 1871 on the Ionian Island of Ithaca (also the birthplace of Homeric Ulysses), Metaxas selected a military career and in 1890 was graduated from the nation's military school as a lieutenant of engineers.

First Fought Turks

Seven years later he experienced actual warfare in the Greek-Turkish conflict. Following peace between the two countries he went to Berlin to study military science from 1899 to 1903.

On his return to Greece in 1940 he was appointed professor to the academy for officers where he remained until the school was dissolved in 1909. His association with Eleutherios Venizelos began when he was appointed aide de camp to Venizelos, the war minister. Later he broke with Venizelos.

In 1912 Gen. Metaxas was sent to Sofia to conclude the Greek-Bulgarian military convention, and to the London conference.

He became chief of staff in February, 1913, but resigned when he disagreed with Venizelos on the question of Greece's participation in the Dardanelles expedition. In 1915, however, he again accepted the post of chief of staff and was made a colonel. In July, 1916, he resigned and became a retired officer the following year.

Conditions forced Gen. Metaxas to leave the country not to return until 1920.

Returning to the Fatherland he abandoned a military career and entered politics to establish the "Electorophones" or "Free Thinkers' party."

Accused of having been the political adviser to the revolutionary movement of Generals Leonardopoulos and Gargalides, he was obliged again in October, 1923, to go into exile. He returned to Greece by virtue of the general amnesty granted in March, 1924.

Post Declined

Gen. Metaxas held his first ministerial post in 1924 when he was elected to the Chamber and appointed Minister of Communications. Four years later he failed to be re-elected.

In 1933 he declined the invitation to become Minister of State, and pronounced himself in favour of immediate restoration of King George.

His political beliefs failed to win the support of the nation and his party won only seven seats. During the January, 1936, elections the result was virtually the same, except that votes obtained by his party increased to 49,000 from 33,000.

Despite unsettled conditions and the need for strong leadership Gen. Metaxas declined the offer to form a government. Constantine Demerdis finally induced him to become Minister of War to recognize the nation's army and stamp out alleged Communistic movements.

Last of Old Leaders

The death of Venizelos, Demerdis and George Condylis left Gen. Metaxas standing alone as the nation's strong man. He was the sole man to whom the King could turn in his search for a "strong right arm for the Crown."

King George made the first of a series of moves to restore civil order and strengthen the position of the throne by dismissing Generals Apagos and Platis.

He appointed Gen. Metaxas chief of the nation's armed forces and also named him vice-President of Demerdis' cabinet.

King George made his popular general Minister of Foreign Affairs without hesitation when Demerdis died.

As Foreign Minister he won praise of his countrymen for his action at the Balkan Conference at Belgrade during the spring of 1936.—United Press.

Buried

Athens, Jan. 31.
General John Metaxas, the late Greek Prime Minister was buried this afternoon within sight of the Acropolis. King George of Greece and the new Prime Minister were present at the funeral, as were the British Minister and the commanding officer of the R.A.F. and British auxiliary forces in Greece.—Reuter.

Sir Pendrill Varrier-Jones

London, Jan. 31.
Sir Pendrill Varrier-Jones, internationally known tuberculosis specialist, died today following a heart attack at the age of 57.—Reuter.

William Gibbs McAdoo

Washington, Feb. 1.
Mr. William Gibbs McAdoo, former Senator from California and Secretary of the Treasury under President Woodrow Wilson, died today at the age of 77.—Reuter.

French Navy Seeks Recruits

London, Feb. 3.
An appeal to young Frenchmen to enlist in the French Navy was made this morning by the Lyons Radio. Men were asked to register with the Ministry of Marine at Vichy.—Reuter.

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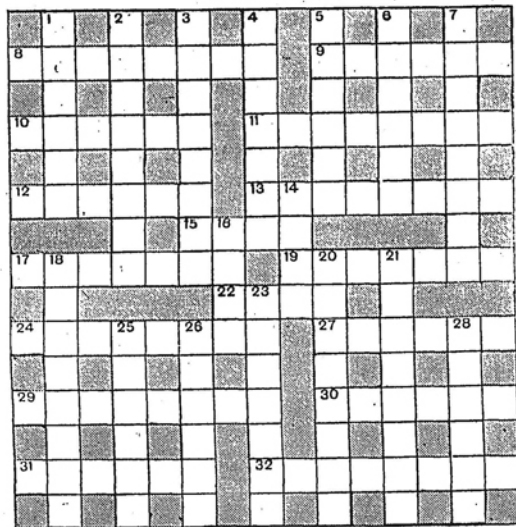
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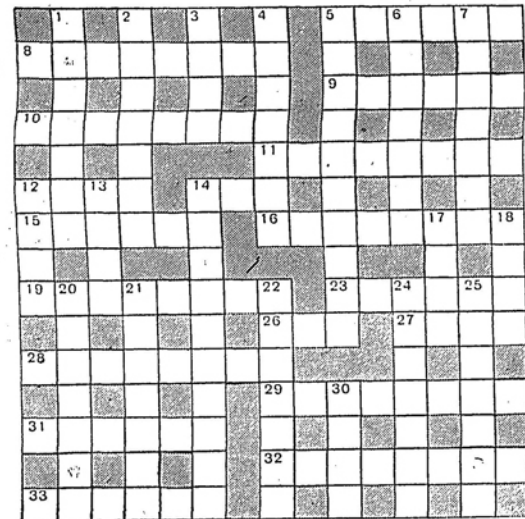


ACROSS

- 8 Well behaved with the human race
9 Relative who keeps us in funds (6)
10 One can't move without it (6)
11 Bird some musicians may have to settle (8)
12 This place figures in Shakespearean title (6)
13 Request to favourite author, and what subsequently to do (two words - 4, 4)
14 A hundred arranged in this way makes one weapon (4)
15 Its movement may lead to interesting exposures (7)
16 One of the rasher designations (7)
20 Agents provocateurs in this (4)
24 The man who keeps this in a crooked game of poker may find it no good (8)
27 Suitable word to open with (6)
29 Drawing fuel (6)
30 Cheap and nasty (6)
31 He invented a kind of start of 32 across (6)
32 The smallest of hands (two words - 5, 5)

DOWN

- 1 He tried in vain to rule the waves (6)
2 Possible result of a doubled hand getting home (8)
3 Not a fisherman's yarn (two words - 4, 4)
4 A heavy blow (7)
5 One can go, and make oneself this (6)
6 Centre of revolution starts a racket (6)
7 Tool to hang accounts on? (8)
8 Comes from rope, string, etc. (4)
16 Mixed in 29 across (4)
18 Nautical way to get the bird (8)
20 Try a cylinder from the laboratory (8)
21 Is wet and makes no hot air (two words - 4, 4)
23 Not an upright type (7)
25 Apprehensive action (6)
26 Not bright, but one can get material profit from the middle (6)
28 Vegetable (6)



ACROSS

- 5 Get down to a smaller figure? (6)
8 More simply, home (8)
9 Triers per this (6)
10 No rumour, though off its head (8)
11 "Nib cries" (anag.) (to be used?) (8)
12 They saw it after its fall (4)
14 It needs push to make it useful (3)
15 Hear in change (6)
16 Becoming (8)
19 This occurs periodically (8)
23 Can shopping become monotonous when one so often gets this? (6)
26 Part of 2 down (3)
27 Kind of top (4)
28 "Plant era" (anag.) (8)
29 See in times what spins out (8)
31 Concrete component puts me among the money (6)
32 This may be grand in March (8)
33 It has plenty of bars, but is a very sober place (6)

DOWN

- 1 One has to behold it to make it alight, curiously enough (7)
2 He plays his part in a considerable settlement (7)
3 Bird (4)
4 For this kind of blow could words be hard enough? (7)
5 One of the things to be overcome on the way to victory (10)
6 Varied numbers on tongue (7)
7 Animal with heart of bone (7)
12 Huts arranged so (4)
13 Formerly formerly (4)
14 Make-weight weight at end of line (10)
17 Penalty for a light offence, perhaps (4)
18 Paddy and this growth don't pair (4)
20 Not a start of 29 across (7)
21 Ineffective request to the incurably extravagant (7)
22 Canine complaint? (7)
24 To the purpose? (7)
25 Passage police should be familiar with? (7)
30 When led about is not liked (4)

The solutions will be published next week

SOLUTION OF LAST WEEK'S PUZZLES

TOP'S PUZZLE.—ACROSS: 8, Reproach; 9, Oregon; 10, Tireless; 12, Impish; 15, Westward Ho!; 19, Pear; 21, Cartoon; 22, Lumber; 23, Enid; 24, Half-sister; 27, Mierut; 30, Explicit; 32, Bistre; 33, Maritime. DOWN: 1, Repine; 2, Priest; 3, Hare; 4, This; 5, Domino; 6, Kelp; 7, Doss; 11, Syringe; 13, Inexact; 14, Harbour; 16, Wychem; 18, Sardine; 17, Wood; 18, Halifax; 20, Impi; 24, Hither; 25, Shifty; 26, Enigma; 28, Epic; 29, Ruth; 30, Elms; 31, Pare.

BOTTOM PUZZLE.—ACROSS: 1, Touch-and-go; 6, Spur; 9, Good strain; 10, Gar; 12, Delete; 14, Amuse; 17, Ann; 18, Courtship; 21, Upset; 22, Rarer; 23, Rigoletto; 25, Elm; 26, Diet; 27, Inmost; 32, Tilt; 33, Hallmarked; 34, Dump; 35, Detachment. DOWN: 1, Togo; 2, Upon; 3, Haste; 4, Nerve; 5, Guineapig; 7, Perquisite; 8, Reflection; 11, Manual; 13, L.M.S.; 15, Accredited; 16, Curriculum; 19, Threat; 20, Hermitage; 24, Oho; 28, Malta; 29, Slush; 30, Skye; 31, Edit.

From Daily News Ads.

On January 24, 1941, the Yung Yuen Company sold all their assets to Link's Trading Company.

The office of the Philippine Engineering Corp., Shanghai Branch, has been removed to 451 Klang Road, Shanghai.

As from January 1, 1941, Hoi, U. L. A. Mohideen has retired from all active interest in the firm of Mohideen Bros., 412 Chengtu Road, Shanghai.

The new address of the town office of the Cathay Cold Storage Co., Ltd., Shanghai, is Suite 303, Hongkong & Shanghai Bank Building.

Unless cause is shown to the contrary by April 24, 1941, the name of the Asiatic Knitting Factory, Limited, will be struck off the Register of British Companies at Shanghai.

An English company requires additional capital for expansion and exploitation of agencies. Proposals on a partnership or loan basis will be considered. Address: Box 704, NCDN.

The name of the Engineers & Traders Limited will be struck off the British Register of Companies at Shanghai and the company will be dissolved unless cause is shown to the contrary by April 28, 1941.

The offices of the Hongkong Sales, Ltd., and the Societe Francaise des Charbonnages du Tonkin have been removed to the Asiatic Petroleum Company Building, 1 The Bund, Shanghai.

Creditors and others having claims against the estate of Isabelle Henderson Brunel-Norman, who died at Shanghai on December 13, 1940, should give notice thereof in writing to Messrs. Teesdale, Newman & Co., 59 Pekin Road, Shanghai, by March 26, 1941.

At the extraordinary general meeting of the Shanghai Securities Limited convened for February 17, to be held at the conclusion of the annual general meeting, the following resolution will be proposed as an ordinary resolution: "That the capital of the company be increased from \$5,000,000 to \$20,000,000 by the creation of 3,000,000 new shares of \$5 each."

This week's issue of The China Weekly Review contains articles on "The Japanese attempt to kill the chairman of the council," "Shanghai's new 'terror'—the threat of U. S. 'freezing' of money," "The case of Yeh Ting and the drive against the 'veris' etc. etc. Orders can be placed with any bookstore or with the paper directly (160 Ave. Edward VII, Shanghai).

All persons having claims or demands upon or against the estate of the late Sidney Leigh Horrobin, of Shanghai, who died on February 11, 1940 at Shanghai, are requested to send in writing particulars of their claims or demands to Messrs. Platt, White-Cooper & Co., Shanghai, on or before April 5, 1941. After this date the assets will be distributed amongst the persons entitled thereto having regard only to claims and demands of which notice shall then have been given.

Short Wave Newscasts

Shanghai Time	m. me/s
4.30 BBC London	19.22 15.14
4.30 "	25.30 11.68
4.30 "	31.55 9.51
7.00 "	25.53 11.75
7.00 "	19.22 11.75
9.00 "	25.53 11.75
9.00 "	31.49 9.53
12.00 "	31.52 9.58
12.00 "	31.74 9.45
12.00 "	49.10 6.11
6.35 Manila	31.52 9.57
8.30 San Francisco	31.52 9.57
7.45 Australia	31.20 9.61

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MAILS CONTAINING AND GOING
WEATHER REPORTS
EXCHANGE QUOTATIONS
LOCAL EVENTS OF THE DAY

At other hours, the Shanghai Christian Broadcasting Association broadcasts in English and Chinese language programme of music and talks.

SICCAWEI METEOROLOGICAL REPORT

Day of month	Barometer		Wind		Hygrometer 9 a.m.		Thermometer in Shade		Weather Condition
	9 A. M.	At 12 o'Clock	Direction a.m.	(1-12)	Dry	Wet	Max.	Min.	
Jan. 21	30.57	32.4	N W	3	29.7	—	37.2	27.0	O.
" 22	30.61	31.2	N S W	2	29.7	—	40.1	24.1	O.
" 23	30.57	30.1	N S	1	34.9	—	40.1	22.8	O.
" 26	30.32	30.6	W S W	2	38.5	30.9	50.5	26.1	O.
" 28	30.30	30.6	Calm	0	44.1	40.5	50.2	27.4	O.
" 29	30.41	30.6	N W	2	36.3	34.7	48.0	30.0	O.
" 30	30.55	30.9	W N W	2	34.2	32.0	44.6	26.4	O. C.

EXPLANATION

B—blue sky F—fog H—hail M—misty (hazy) R—rain T—thunder
C—clouds D—drizzle L—lightning O—overcast (dull) S—snow Z—calm

SHANGHAI THERMOMETER READINGS FOR THE WEEK

In the open air in a shaded situation in the Foreign Settlement

Date	Minimum 1941	Maximum 1941	Minimum 1940	Maximum 1940	Rainfall 1941	Rainfall 1940
Jan. 24	30.0 F.	25.6 F.	46.0 F.	39.0 F.	Nil	Nil
" 25	26.0	26.0	38.0	39.0	Nil	Nil
" 26	28.0	22.0	45.0	35.5	Trace	Nil
" 27	30.0	29.0	50.0	35.5	0.14 in.	Nil
" 28	41.0	28.0	46.0	39.0	0.03	11.2 in.
" 29	33.0	35.0	47.0	41.0	Nil	0.14
" 30	30.5	35.0	44.0	38.0	Nil	0.33*

*Snow melting.

SHIPPING NEWS

Due at Future Dates

All vessels are listed under their terminal port. The first date is that of the ship's departure from that port and the second is the date she is due to arrive in Shanghai. Where a ship's name is duplicated it indicates the port of call last visited.

On account of the present international situation publication of the movements of vessels of several leading shipping lines are not permitted to be published.

EUROPE AND STRAITS

From Bombay & Calcutta
McBourne M — 19/2

From Karachi
Kasima M — 16/2

AMERICA AND JAPAN

From New York
P Monroe — 6/2
Dona A'ora — 21/2

From Honolulu
P'Clidge 29/1 17/2
Tatuta M 13/1 17/2
Nitta M 2/2 3/3

From Los Angeles
P'Clidge 20/1 11/2
Tatuta M 3/1 17/2
Nitta M 24/1 3/3

From Manila
P'Cland 2/2 6/2
From Kobe
M'rcal M 15/2 17/2
From Nagasaki
N'saki M 5/2 6/2

From Seattle
W'Ceta 20/1 11/2

BIRTHS

BUCKLAND.—On February 3, at the Country Hospital, Shanghai, to Mr. and Mrs. T. H. BUCKLAND, a daughter, ROSE INE.

GONSALVES.—On January 28, 1941, at Pauline Hospital, Shanghai, to Veronica Frances (nee Oliveira), wife of C. A. Gonsalves, a daughter.

LEVIS.—On January 29, 1941, at the Country Hospital, Shanghai, to Mr. and Mrs. JOHN HAZEL, a daughter.

GRAY.—On January 29, 1941, at the Country Hospital, Shanghai, to Nina (nee Netupsky), wife of L. B. GRAY, a son, (Yokohama and Tientsin papers please copy).

SMITH.—On January 29, 1941, at the Country Hospital, Marin County, California, to Mr. and Mrs. C. J. Smith, a daughter, RUTH.

MARRIAGE

ARNHOLD—GASSAWAY.—On February 1, 1941, in Manila, JEAN GASSAWAY to HARRY EDWARD ARNHOLD.

DEATHS

BLAKE.—On Friday, January 31, 1941, at Shanghai, WILLIAM FRANCIS BLAKE, (The China Engineers Ltd.) aged 47 years, the dearly beloved husband of Jeanne and father of Joyce, (Hongkong papers please copy).

CORBETT.—On Thursday, January 30, 1941, at The Country Hospital, Shanghai, RICHARD AIDAN, aged 1 year and 10 months, the dearly beloved younger son of Mr. and Mrs. P. A. Corbett.

FORSYTH.—On January 29, 1941, at Ferndown, England, ANNIE GRAY MAITLAND, the widow of Robert Coventry Forsyth, who was for many years a missionary in Shanghai, mother-in-law of E. S. Little, PAYNE.—VICTOR PAYNE, brother of Mrs. B. D. (Trixie) Jacobs, killed by enemy action aboard "Empress of Britain," October 26, 1940.

PEACOCK.—On February 1, 1941, at Honolulu, ELEANOR AGNES PEACOCK, the dearly-beloved wife of C. S. Peacock and daughter of Mrs. D. C. Pearson, died suddenly of heart attack.

ZEE QUAN YUEN.—On January 31, 1941, at his home, 42 Taiwan Road, Mr. ZEE QUAN YUEN, aged 76 years.

IN MEMORIAM

LITTLE.—In loving memory of EDWARD S. LITTLE, who passed over to the other side on February 2, 1939. In sure and certain hope.

Printed and published at the office of the NORTH-CHINA DAILY NEWS & HERALD, Ltd., North-China Building, Shanghai, China.

CHINA'S SKIES FOR FEBRUARY

4.—At 3 a.m. Jupiter and the Moon in conjunction. Jupiter 2° N.
4.—At 5 a.m. Saturn and Moon in conjunction. Saturn 0° 7' N.
11.—Mercury; Greatest Elongation, 18° E.
21.—At 3 a.m. Jupiter and Saturn in conjunction. Jupiter 1° 4' N.
21.—At 11 a.m. Mars and Moon in conjunction. Mars 5° S.
25.—At 10 a.m. Venus and Moon in conjunction. Venus 5° S.
26.—Mercury; inferior conjunction.

Constellations at 8 p.m.

In the north, Ursa Major and Cassiopeia are symmetrically east and west of the meridian. Capella has just crossed the meridian, near the zenith. In the east Spica Virgo is rising. A little higher-Regulus Leonis crosses the first vertical. Procyon and Gemini near the meridian. In the south, Orion crosses the meridian. Sirius and Canopus cross, but Canopus is near the horizon. In the west are Aldebaran, Pleiades and Aries.

Phases of The Moon

4.—First Quarter 7.42 p.m.
12.—Full Moon 8.26 a.m.
19.—Last Quarter 8.07 a.m.
26.—New Moon 11.32 a.m.
3.—Moon in Apogee 10.00 a.m.
26.—Moon in Perigee 4.00 a.m.

RISING AND SETTING OF MOON

Rises	South	Sets
1.—9.31 a.m.	3.45 p.m.	10.04 p.m.
5.—11.52 a.m.	6.41 p.m.	1.42 a.m.
10.—4.04 p.m.	10.57 p.m.	5.00 a.m.
15.—9.24 p.m.	2.32 a.m.	8.49 a.m.
20.—1.32 a.m.	5.42 a.m.	11.22 a.m.
25.—5.42 a.m.	11.25 a.m.	5.13 p.m.

RISING AND SETTING OF SUN

Rises	Mean-Apparent	Sets
1.—6.53 a.m.	add 13 m. 39 s.	5.35 p.m.
8.—6.48 a.m.	add 14 m. 17 s.	5.41 p.m.
15.—6.42 a.m.	add 14 m. 5 s.	5.47 p.m.
22.—6.35 a.m.	add 13 m. 40 s.	5.53 p.m.

Aspect of Principal Planets

Mercury in the constellation Capricornus, moves through the constellation Aquarius. He is the 1st at 9.40 a.m. and on the 16th at 7.21 a.m. Sets on the 1st at 6.38 p.m. Wand on the 16th at 6.59 p.m. Stell. magn. —0.9 and —1.0.

Venus in the constellation Sagittarius, moves through Capricornus and at the end of the month, enters Aquarius. Rises southeast by east on the 1st at 5.50 a.m. and on the 16th at 5.59 a.m. Sets at 4 p.m. and 4.30 p.m. Mag. 3.4.

Mars in the constellation Sagittarius. Morning Star. Rises southeast by east on the 1st at 3.25 a.m. and on the 16th at 3.1 a.m.

Jupiter in Aries, rises east on the 1st at 11.04 a.m. sets at midnight. Rises on the 16th at 10.12 a.m. sets at 11.16 p.m. Mag. —2.0 and —0.9. Visible during the first part of the night.

Saturn in the constellation, Aries. Rises on the 1st at 11.12 a.m. and sets west at midnight. Rises on the 16th at 10.15 a.m. sets at 11.16 p.m. Mag. —4.5. Evening Star.

Uranus in the constellation, Taurus rises on the 1st at 11.48 a.m. northeast by east sets at 1.18 a.m. On the 16th at 10.52 a.m. sets at 1.18 a.m. Mag. 5.0.

Neptune in the constellation, Virgo, rises on the 1st east at 9 p.m. and sets west at 9 a.m. On the 16th at 3 p.m. and 3.15 a.m. Magnitude 8.0.

Lunar Occultations at Shanghai

Star	mag.	Ph. M.	at P
1.—BD +2° 00' 6.5 D 5.0	7.66 p.m.	33°	
19.—40 Librae 5.5 R 23.5	2.42 a.m.	297	
20.—BD —18° 43' 6.5 R 23.4	3.28 a.m.	286	

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NORTH-CHINA DAILY NEWS
& HERALD, LTD.

17 The Bund, Shanghai